

SOLAR INDUSTRIES AFRICA LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2017

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FOR THE YEAR ENDED MARCH 31, 2017

MANAGEMENT AND ADMINISTRATION

		Date of appointment	Date of resignation
DIRECTORS:	Virrsing Ramdeny	4-Jun-14	-
	Koosoom Newoor	4-Jun-14	-
SECRETARY:	Associated Consultants Ltd Suite G12 St. James Court St. Denis Street, Port Louis Mauritius		
REGISTERED OFFICE:	Suite G12 St. James Court St. Denis Street, Port Louis Mauritius		
AUDITORS:	BIT Associates Chartered Certified Accountants & Registered Auditors 1 E Ground Floor, Buswell Avenue, St Jean Road, Quatre Bornes, Mauritius		

FOR THE YEAR ENDED MARCH 31, 2017

DIRECTORS' REPORT

The directors are pleased to present their annual report and audited financial statements of Solar Industries Africa Limited for the year ended 31 March 2017.

PRINCIPAL ACTIVITY

The principal activity of the Company is to hold investments

RESULTS AND DIVIDENDS

The Company's loss for the year ended 31 March 2017 is **USD10,773** (2016: Loss of USD12,515).

The directors do not recommend the payment of a dividend for the year under review.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

Company law requires the directors to prepare financial statements for each financial year which present fairly the financial position, financial performance and cash flows of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether International Financial Reporting Standards have been followed and complied with, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors have confirmed that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Mauritian Companies Act 2001. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITOR

The auditors, BIT Associates, have indicated their willingness to continue in office and will be automatically re-appointed at the next Annual Meeting.

By Order of the Board

K. Newman

SECRETARY

Date: 10 AUG 2017

**CERTIFICATE FROM THE SECRETARY
UNDER SECTION 166(d) OF THE COMPANIES ACT 2001**

We certify that, to the best of our knowledge and belief, the Company has filed with The Registrar of Companies, during the financial year ended March 31, 2017 all such returns as are required for a company under the Companies Act 2001.

K. Nwosu
.....
For and on behalf of Associated Consultants Ltd
Company Secretary

Date: 10 AUG 2017

SOLAR INDUSTRIES AFRICA LIMITED**INDEPENDENT AUDITOR'S REPORT**

To the Shareholders of SOLAR INDUSTRIES AFRICA LIMITED

Report on the audit of the Financial Statements

This report is made solely to the members of SOLAR INDUSTRIES AFRICA LIMITED (the "Company"), as a body, in accordance with Section 205 of the Companies Act 2001. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Opinion

We have audited the financial statements of SOLAR INDUSTRIES AFRICA LIMITED (the Company), on pages 4 to 16 which comprise the statement of financial position as at March 31, 2017, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies.

Going concern

The company has a negative equity shareholder's interest. The company meets its day to day working capital requirements through continued support from its owners and related companies. The owners and the related companies have committed themselves to continue to financially support the company. On this basis, the directors consider it appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustment that would result from a withdrawal of the financial support by owners.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion. Our opinion is not qualified in this respect.

In our opinion, the financial statements on pages 4 to 16 give a true and fair view of the financial position of the Company as at March 31, 2017, and of its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards and comply with the Companies Act 2001.

SOLAR INDUSTRIES AFRICA LIMITED**INDEPENDENT AUDITOR'S REPORT**

To the Shareholders of SOLAR INDUSTRIES AFRICA LIMITED

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code)* together with the ethical requirements that are relevant to our audit of the financial statements in Mauritius, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Directors and Those Charged with Governance for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and in compliance with the requirements of the Companies Act 2001, and for such internal control as the directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

SOLAR INDUSTRIES AFRICA LIMITED**INDEPENDENT AUDITOR'S REPORT**

To the Shareholders of SOLAR INDUSTRIES AFRICA LIMITED

Responsibilities of Directors and Those Charged with Governance for the Financial Statements (continued)

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by directors.

SOLAR INDUSTRIES AFRICA LIMITED

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of SOLAR INDUSTRIES AFRICA LIMITED

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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

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

Report on Other Legal and Regulatory Requirements

Companies Act 2001

We have no relationship with, or interests in, the Company, other than in our capacity as auditors and dealings in the ordinary course of business.

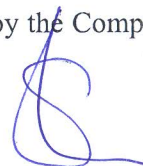
We have obtained all information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Bit Associates

BIT ASSOCIATES
Chartered Certified Accountants
& Registered Auditors

Quatre Bornes,
Mauritius



DWARKA SOOCHIT, FCCA, FCMA, CGMA
Licensed by FRC

Date: 10 AUG 2017

STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2017

<u>ASSETS</u>	Notes	31-Mar-17	Restated 31-Mar-16	31-Mar-16
		USD	USD	USD
Non-current assets				
Investment in subsidiary	6	30,300	30,300	-
Loans and advances	7	33,000	33,000	63,300
		<u>63,300</u>	<u>63,300</u>	<u>63,300</u>
Current assets				
Cash and cash equivalents	8	6,524	7,097	7,097
		<u>6,524</u>	<u>7,097</u>	<u>7,097</u>
TOTAL ASSETS		<u>69,824</u>	<u>70,397</u>	<u>70,397</u>
<u>EQUITY AND LIABILITIES</u>				
Capital and reserves				
Share capital	9	100	100	100
Revenue deficit		(33,436)	(22,663)	(22,663)
Shareholder's interest		<u>(33,336)</u>	<u>(22,563)</u>	<u>(22,563)</u>
Non-current liabilities				
Advances and share application monies	10	98,760	83,100	83,100
		<u>98,760</u>	<u>83,100</u>	<u>83,100</u>
Current liabilities				
Accounts payable	11	4,400	9,860	9,860
		<u>4,400</u>	<u>9,860</u>	<u>9,860</u>
TOTAL EQUITY AND LIABILITIES		<u>69,824</u>	<u>70,397</u>	<u>70,397</u>

Approved by the Board of Directors on 1.0. AUG. 2017

.....
Director

.....
Director

The notes on pages 8 to 16 form an integral part of these financial statements.

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED MARCH 31, 2017**

	<u>Notes</u>	<u>31-Mar-17</u> USD	<u>31-Mar-16</u> USD
INCOME			
Interest income		7	6
		<u>7</u>	<u>6</u>
EXPENSES			
Administrative expenses		7,250	8,460
Bank and other charges		580	611
Accounting and audit fees		2,950	3,450
		<u>10,780</u>	<u>12,521</u>
Loss before taxation		(10,773)	(12,515)
Taxation	12	-	-
		<u>(10,773)</u>	<u>(12,515)</u>
Other comprehensive income/(loss)		-	-
Total comprehensive loss for the year		<u><u>(10,773)</u></u>	<u><u>(12,515)</u></u>

The notes on pages 8 to 16 form an integral part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED MARCH 31, 2017**

	Ordinary Share Capital	Revenue deficit	Total
	USD	USD	USD
Balance at June 4, 2015	100	(10,148)	(10,048)
Loss for the period	-	(12,515)	(12,515)
Balance at March 31, 2016	100	(22,663)	(22,563)
Loss for the year	-	(10,773)	(10,773)
Balance at March 31, 2017	100	(33,436)	(33,336)

The notes on pages 8 to 16 form an integral part of these financial statements.

**STATEMENT OF CASH FLOW
FOR THE YEAR ENDED MARCH 31, 2017**

	<u>Notes</u>	<u>2017</u> <u>USD</u>	<u>2016</u> <u>USD</u>
Operating Activities			
Cash used in operations	13(a)	(16,233)	(4,605)
Net cash used in operating activities		<u>(16,233)</u>	<u>(4,605)</u>
Investing Activities			
Advance against share application		-	(8,061)
Net cash flow from investing activities		<u>-</u>	<u>(8,061)</u>
Financing Activities			
Advance and share application monies		15,660	15,061
Net cash flow from financing activities		<u>15,660</u>	<u>15,061</u>
Net cash and cash equivalents		<u>(573)</u>	<u>2,395</u>
Movements in cash and cash equivalents			
Cash and cash equivalents at beginning of the year		7,097	4,702
Cash and cash equivalents at end of the year	13(b)	6,524	7,097
Net cash and cash equivalents		<u>(573)</u>	<u>2,395</u>

The notes on pages 8 to 16 form an integral part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2017**

1. CORPORATE INFORMATION

Solar Industries Africa Limited is a limited liability company incorporated and domiciled in Mauritius and has been granted a Category 1 Global Licence under the Financial Services Act, 2007.

The company is engaged in investment holding activities.

The address of its registered office is Suite G12, St. James Court, St. Denis Street, Port Louis, Mauritius.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)

2.1 New and revised IFRSs affecting amounts reported and/or disclosures in the financial statements

(a) Adoption of New and Revised IFRSs

During the current financial year, there are no new and revised IFRSs that are relevant to the Company's operations and mandatory for annual period beginning on 1 January 2015 and accordingly, there is no financial impact on the financial position of the Company.

(b) New and Revised IFRSs issued but not yet effective

As at the date of these financial statements, the following new and revised IFRSs that are relevant to the Company's operations have been issued but are not yet effective:

	Effective for annual periods beginning on or after
IFRS 9, Financial Instruments	1/Jan/2018
IFRS 15, Revenue from Contracts with Customers	1/Jan/2018
Amendment to IAS 1, Presentation of Financial Statements: Disclosure Initiative	1/Jan/2016
Amendment to IAS 7, Statement of Cash Flows	1/Jan/2017
Amendment to IAS 12, Income taxes – Recognition of deferred tax assets for unrealised losses	1/Jan/2017
Improvement to IFRSs (2014) • IFRS 7, Financial Instruments: Disclosure	1/Jan/2016

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2017**

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards.

(b) Basis of preparation

The financial statements have been prepared on the historical cost basis except for the revaluation of certain non-current assets and financial instruments. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

(c) Investment in Subsidiaries

Subsidiaries are all entities over which the Company has the power to govern the financial and operating policies generally accompanying shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable and convertible are considered when assessing whether the Company controls another entity.

Investments in subsidiary undertakings are shown at fair value in the Company's accounts. Where an indication of impairment exists, the recoverable amount of the investment is assessed. Where the recoverable amount of the investment is less than its carrying amount, the investment is written down immediately to its recoverable amount and the impairment loss is recognised as an expense in the statement of comprehensive income.

On disposal of the investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of comprehensive income.

(d) Cash and cash equivalents

Cash comprises cash at bank and in hand, demand deposits and bank overdrafts. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(e) Ordinary share capital

Ordinary shares are classified as equity.

(f) Accounts payable

Accounts payable are stated at fair value.

(g) Revenue recognition

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Company's activities.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2017

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

(i) Provisions

Provisions are recognised when the company has a present or constructive obligation as a result of past events which it is probable will result in an outflow of economic benefits that can be reasonably estimated.

(j) Related parties

Related parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.

(k) Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated to the functional currencies of the Company at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated to the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognised in profit or loss. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

(l) Financial instruments

Financial instruments carried on the statement of financial position includes accounts receivable, payable and loan from shareholder. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2017**

**4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY
SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the Company's accounting policies, which are described in note 3, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the period of the revision and future periods if the revision affects both current and future periods.

Where applicable, the notes to the financial statements set out areas where management has applied a higher degree of judgement that have a significant effect on the amounts recognised in the financial statements, or estimations and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4.1 Key sources of estimation uncertainty

With regards to the nature of the Company's business there were no key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

5. CONSOLIDATED FINANCIAL STATEMENTS

The Company owns 65% of the issued share capital of Solar Nitrochemicals Limited, which is considered to be a subsidiary undertaking. The Company is not required to present consolidated financial statements as the Company's debt or equity are not traded in a public market nor does it intend to issue any class of instruments in any public market. Further, the Company is itself a wholly-owned subsidiary of another entity and its other owners, including those not otherwise entitled to vote, have been informed about, and do not object to, the Company not presenting consolidated financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2017**

6. INVESTMENT IN SUBSIDIARY	2017	2016
	USD	USD
At April 01 ,	30,300	-
Acquisition	-	30,300
At March 31,	30,300	30,300

The directors estimate the fair value of the investments to be not less than USD 30,300 as at the date of statement of financial position.

Details of investment in subsidiary are as follows:

Name of Company	Country of Incorporation	Type of shares	2017 and 2016	
			Number of shares	Percentage Holding
Solar Nitrochemicals Limited	Tanzania	Equity	6,500	65%

7. LOANS AND ADVANCES	2017	2016
	USD	USD
Advances for Australian project	33,000	33,000
	33,000	33,000

8. CASH AND CASH EQUIVALENTS	2017	2016
	USD	USD
Cash at bank	6,524	7,097

9. SHARE CAPITAL	Issued and fully paid	
	2017	2016
	USD	USD
1 Ordinary Share	100	100
At March 31,	100	100

Voting rights

Each ordinary share shall entitle its holder to receive notice of, and to attend and vote at any meeting of the company.

Rights relating to dividends

Each ordinary share shall entitle its holder the right of an equal share in dividends as authorised by the board.

Rights relating to repayment of capital

Upon winding-up, each ordinary share shall entitle its holder the right to an equal share in the distribution of the surplus assets of the company.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2017**

10. ADVANCES AND SHARE APPLICATION MONIES	<u>2017</u>	<u>2016</u>
	<u>USD</u>	<u>USD</u>
Share application monies	<u>98,760</u>	<u>83,100</u>

These share application monies are from Solar Overseas Mauritius Limited.

11. ACCOUNTS PAYABLE	<u>2017</u>	<u>2016</u>
	<u>USD</u>	<u>USD</u>
Other payables and accruals	<u>4,400</u>	<u>9,860</u>

The carrying amounts of other payables approximate their fair value.

12. TAXATION

The Company is liable to income tax in Mauritius on its chargeable income at 15%. It is, however, entitled to a tax credit equivalent to the higher of the actual foreign tax suffered and 80% of the Mauritius tax on its foreign source income. For the year ended 31 March 2017, the Company has an accumulated tax loss of USD33,449 (2016: USD 22,669) and is therefore not liable to tax.

13. NOTES TO THE STATEMENT OF CASH FLOW	<u>2017</u>	<u>2016</u>
	<u>USD</u>	<u>USD</u>
(a) Cash generated from operations		
Reconciliation of profit/(loss) before taxation to cash generated from/(used in) operations:		
Loss before taxation	(10,773)	(12,515)
Adjustments for:		
Changes in working capital:		
- Accounts Payable	(5,460)	7,910
Cash used in operations	<u>(16,233)</u>	<u>(4,605)</u>
(b) Cash and Cash Equivalents	<u>2017</u>	<u>2016</u>
	<u>USD</u>	<u>USD</u>
Cash at bank	<u>6,524</u>	<u>7,097</u>

14. FINANCIAL INSTRUMENTS

Capital risk management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of stated capital and accumulated losses.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2017**

14. FINANCIAL INSTRUMENTS (CONTINUED)

Capital risk management(continued)

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow interest rate risk and other price risk), credit risk and liquidity risk.

(a) *Market risk*

(i) *Foreign exchange risk*

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company is exposed to foreign exchange risk arising from various currency exposures primarily with respect to Tanzanian Shillings and Australian Dollars. Foreign exchange risk arises from investments that the Company holds in Tanzania and Australia, whose net assets are exposed to foreign currency translation risk.

Foreign currency risk management

The Company has investments which is denominated in Tanzanian Shillings and Australian Dollars.

Currency profile

The currency profile of the Company's financial assets and liabilities is summarised as follows:

	2017		2016	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
	USD	USD	USD	USD
Tanzanian Shillings	30,300	-	30,300	-
Australian Dollars	33,000	-	33,000	-
US Dollars	6,524	103,160	7,097	92,960
	69,824	103,160	70,397	92,960

(ii) *Interest rate risk management*

As the Company has no significant interest-bearing assets, the Company's operating cash flows are substantially independent of the changes in market interest rates.

(iii) *Price risk*

The Company is not faced with any price risk.

(b) *Credit risk*

The Company has no significant concentration of credit risk.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2017**

14. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its payment obligations, associated with its financial liabilities, when they fall due.

Ultimate responsibility for liquidity risk rests with the board of directors, who monitors the company's short, medium and long term funding and liquidity management requirements. The company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecasts and actual cash flows and matching the maturity profiles of financial assets and financial liabilities.

Liquidity risk as at March 31, 2017

	Due on demand	Due for less than 1 year	More than 5 years	Total
	USD	USD	USD	USD
<i>Assets</i>				
Cash and cash equivalents	6,524	-	-	6,524
	<u>6,524</u>	<u>-</u>	<u>-</u>	<u>6,524</u>
<i>Liabilities</i>				
Accounts payable	-	4,400	-	4,400
	<u>-</u>	<u>4,400</u>	<u>-</u>	<u>4,400</u>

(d) Fair value estimation

The carrying values for financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values.

15. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions or if they are subject to common control.

For the year ended 31 March 2017, the transactions with related parties are as follows:

Related Parties	Relationship	Nature of Operations	Volume of Transactions	Balance at 31.03.2017
Solar Overseas Mauritius Limited	Holding Company	Advances	USD15,660	USD98,760

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2017**

16. RESTATEMENT OF PRIOR YEAR BALANCES

During the year, the following balances were restated:

Investment in Subsidiary	Prior year balance before restatement USD	Restatement USD	Restated prior year balance USD
<u>Statement of financial position</u>			
Investment in Subsidiary	-	30,300	30,300
Advance against share application	63,300	(30,300)	33,000

The Company acquired 65% of the shareholding of Solar Nitrochemicals Limited on 24 August 2015.

Advance against share application for the year ended 31 March 2016 amounting to USD63,300 have been wrongly disclosed in the statement of financial position and included an amount of USD30,300 which related to investment in Solar Nitrochemicals Limited. Therefore a restatement of the figures for advance against share application and investment in subsidiary have been done for the year ended 31 March 2016.

17. EVENTS AFTER THE REPORTING PERIOD

There are no events after the reporting period which may have a material effect on the financial statements as at 31 March 2017.

18. HOLDING COMPANY

The Company is controlled by Solar Overseas Mauritius Limited , a Company incorporated in Mauritius.