



SOLAR DEFENCE LIMITED

1ST

ANNUAL REPORT

INDEPENDENT AUDITOR'S REPORT

To the Members of
Solar Defence Limited
Report on the Financial Statements

We have audited the accompanying financial statements of **M/s. Solar Defence Limited**, ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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



appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company' Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("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 statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

2. 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 financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) on the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act; and
- (f) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 7 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.



- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For Gandhi Rathi & Co.,
Chartered Accountants
Firm Registration No. 103031W**



**C. N. Rathi
Partner
Membership No. 39895**

**Place : Nagpur
Date : 16.05.16**



ANNEXURE REFERRED TO IN PARAGRAPH 3 OF THE AUDITORS REPORT TO THE MEMBERS OF SOLAR DEFENCE LTD ON THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2016.

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2016, we report that:

- i) a. The Company has maintained proper records showing full particulars including quantitative details and location of its fixed assets.
- b. As per the information & explanation given to us, Management has physically verified the fixed assets at reasonable intervals and no material discrepancies have been noticed on such verification.
- c. The title deeds of immovable properties are held in the name of the company.
- ii) There is no inventory of finished goods, work in process, stores, spare parts and raw materials. Therefore no question for physical verification and material discrepancies arise
- iii) As per the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, sub clauses (a) & (b) of para 3 of the Order are not applicable to the company.
- iv) We have broadly reviewed the cost records maintained by the Company specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- v) a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.


According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 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 Sales Tax, Income Tax, wealth tax, Service Tax, Excise duty of and cess which have not been deposited with the appropriate authorities on account of any dispute.
- vi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank, government or debenture holder.
- vii) To the best of our information and knowledge and as per the records verified by us, the company has not raised money by ways of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised.



- viii) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instances of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such cases by the Management.
- ix) As per the information provided managerial remuneration has not been paid. Therefore provisions of section 197 read with schedule V to the Companies Act are not applicable.
- x) In our opinion, the Company is not a Nidhi Company. Accordingly the comments referred to in clause are not applicable to the Company.
- xi) All transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the accounting standards.
- xii) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xiii) The company has not entered into any non-cash transactions with directors or persons connected with him.
- xiv) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

For Gandhi Rathi & Co.
Chartered Accountants
Firm Registration No. 103031W


C. N. Rathi
Partner
Membership No. 39895

Place : Nagpur
Dated : 16.05.2016



SOLAR DEFENCE LTD.
BALANCE SHEET AS AT 31 ST MARCH, 2016

PARTICULARS	NOTE	AS AT 31.03.2016	AS AT 31.03.2015
CAPITAL AND LIABILITIES			
SHARE HOLDERS' FUND			
Share Capital	1	500000.00	0.00
Reserves & Surplus	2	0.00	0.00
CURRENT LIABILITIES			
Short-term borrowings	3	24700.00	
Other current liabilities	4	22900.00	0.00
TOTAL		547600.00	0.00
ASSET			
NON-CURRENT ASSET			
Other Non current Asset	5	47600.00	0.00
CURRENT ASSETS			
Cash and Bank Balances	6	500000.00	0.00
Significant Accounting Policies			
Notes to Financial Statement	1to6		
TOTAL		547600.00	0.00

PLACE :- NAGPUR
DATE:- 16.05.2016

As per our Report of even date

*For Gandhi Rathi & Co.,
Chartered Accountants*



C.N. Rathi
Partner
M. NO. 39895
Firm Reg.No. 103031W



For and on behalf of the Board


K.C. Nuwal
Director


Manish Nuwal
Director

SOLAR DEFENCE LTD.
Profit and Loss Account
For the Year Ended 31.03.2016

Particulars	NOTES	2015-16	2014-15
INCOME			
Revenue from Operations		0.00	0.00
Other Income		0.00	0.00
TOTAL REVENUE		0.00	0.00
EXPENDITURE			
Purchases of Stock in trade		0.00	0.00
Changes in Inventories of Stock in Trade		0.00	0.00
Employee Benefit Expenses		0.00	0.00
Finance Cost		0.00	0.00
Other exp		0.00	0.00
TOTAL EXPENSES		0.00	0.00
Profit before Tax		0.00	0.00
Tax Expenses			
Current Tax		0.00	0.00
Profit for the year		0.00	0.00
Earning per equity share of face value of Rs 10 each			
Basic and diluted (in Rs)		0.00	0.00
Significant Accounting Policies			
Notes to Financial Statement	7 to 10		

Place : Nagpur
Date : 16.05.2016

As per our Report of even date

*For Gandhi Rathi & Co.,
Chartered Accountants*



C.N. Rathi
Partner
M. NO. 39895
Firm Reg.No. 103031W



For and on behalf of the Board


K.C. Nuwal
Director


Manish Nuwal
Director

CASH FLOW STATEMENT FOR THE YEAR ENDED ON MARCH 31, 2016

PARTICULARS	2015-16		2014-15	
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
A. Cash Flow From Operating Activities				
Net Profit Before Tax		0.00		
Operating Profit before working Capital Changes		0.00		
Increase/(Decrease) in Other Current Liabilities	22,900.00			
		22,900.00		
Net Cash from Operating Activities		22,900.00		
B. Cash Flow From Investing Activities				
(Increase)/ Decrease in Other Non current Assets	-47,600.00			
Net Cash from Investing Activities		-47,600.00		
C. Cash Flow From Financing Activities				
Increase/(Decrease) in Short Term Borrowing	24,700.00			
Increase in Share Capital	500,000.00			
Net Cash from Financing Activities		524,700.00		
Net Increase in Cash & Cash equivalents		500,000.00		
Cash & Cash equivalents at the beginning of period	0			
Cash & Cash equivalents at the end of period	500,000.00			
	500,000.00			

Notes :

- 1) The above cash flow statement has been prepared in accordance with the requirements of Accounting Standard 3 "Cash Flow Statement" issued by the Institute of Chartered Accountants of India.

As per our report of even date attached

For Gandhi Rathi & Co.
Chartered Accountants

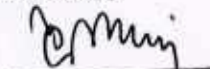


(C.N.Rathi)
Partner
M.No. 39895
Firm Reg.No. 103031W
Nagpur, Dated : 16.05.2016



For and on behalf of the Board


K.C.Nuwal
Director


Manish Nuwal
Director

SOLAR DEFENCE LIMITED
ANNEXURE-1
SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31 MARCH 2016

a. Basis of preparation

The financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.

The financial statements have been prepared on an accrual basis. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

b. Use of estimates

The preparation of financial statements in conformity with India GAAP requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialised.

c. Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period in which they are incurred.

d. Revenue recognition

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes sale of goods, services, sales tax, service tax, excise duty and sales during trial run period, adjusted for discounts (net) and gain / loss on corresponding hedge contracts. Gross Turnover includes sales tax, service tax and excise duty. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year. Dividend income is recognized when right to receive is established. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

Revenues from hire charges for delivery of goods are recognized on delivery of goods.

e. Earnings Per share

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. There are no potential equity shares as on 31.03.2016 and accordingly the Diluted Earnings per share and Basic Earnings per share will be same.

f. Provisions

A provision is recognized when the company has a present obligation as a result of past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and



reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Where the company expects some or all of a provision to be reimbursed for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expenses relating to any provision is presented in the statement of profit and loss net of any reimbursement.

g. Cash and Cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise Balances with bank and Cash in hand.

h. Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost of raw materials, stores and spares, packing materials, trading and other products are determined on weighted average basis.



NOTE - 1
SHARE CAPITAL

Particular	As at 31.03.2016	As at 31.03.2015
(a) Authorised Share Capital	500000.00	0.00
	500000.00	0.00
Issued, Subscribed & Paid up 50000 Equity Shares of Rs. 10/- each	500000.00	0.00
	500000.00	0.00

(b) Reconciliation Statement of Shares Outstanding

Particular	NO. of share As at 31.03.2016	NO. of share As at 31.03.2015
Number of Shares at the beginning of the year	0	0
Add: Issued during the year	50000	0
Number of Shares at the end of the year	50000.00	0.00

Note :- No shares are issued or allotted in last 5 years.

(c) Details of Shareholders holding more than 5% Equity Shares

Particular	NO. of share As at 31.03.2016	NO. of share As at 31.03.2015
1 Solar Industries India Ltd	100%	0

NOTE - 2

RESERVES & SURPLUS

	As at 31.03.2016	As at 31.03.2015
Opening Balance	0.00	0.00
Add : Profit/(loss) during the year	0.00	0.00
TOTAL	0.00	0.00

NOTE 3

SHORT TERM BORROWINGS	As at 31.03.2016	As at 31.03.2015
Solar Industries India Ltd.	24700.00	
TOTAL	24700.00	0.00



NOTE 4

OTHER CURRENT LIABILITIES	As at 31.03.2016	As at 31.03.2015
AAAS & Associates	17175.00	0.00
Provision for Audit Fess	5725.00	
TOTAL	22900.00	0.00

NOTE - 5

OTHER NON CURRENT ASSETS

Particular	As at 31.03.2016	As at 31.03.2015
Preliminary Expenses	41875.00	
Pre-Operative Expenses	5725.00	0.00
TOTAL	47600.00	0.00

NOTE - 6

Cash and Cash Equivalent

Cash and Cash Equivalent	As at 31.03.2016	As at 31.03.2015
ICICI Bank a/c NO. 624205013427	500000.00	0.00
TOTAL	500000.00	0.00



SOLAR DEFENCE LTD.
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2016

NOTE - 7

CONTINGENT LIABILITIES AND COMMITMENT

AS PER EXPLANATION & INFORMATION PROVIDED TO US THERE IS NO CONTINGENT LIABILITY ,
ALL LIABILITIES ARE PROVIDED IN THE BOOKS.

NOTE:-8 DISCLOSURE OF RELATED PARTY TRANSACTIONS

Particulars	Amount(Rs) 31.03.2016	Amount(Rs) 31.03.2015
HOLDING COMPANY		
A) Solar Industries India Ltd		
1. Short Term Borrowings	24700.00	0.00

NOTE - 9

Significant Accounting Policies And Practice adopted by the Company are disclosed in the statement annexed to these Financial Statements as Annexure-1

NOTE - 10 PAYMENT TO AUDITORS

Particular	Amount
1) Audit Fees	5725.00
Total	5725.00

THE PREVIOUS YEAR'S FIGURES HAVE BEEN REGROUDED / RECLASSIFIED WHERE EVER NECESSARY TO CORRESPOND WITH THE CURRENT YEAR'S CLASSIFICATION/DISCLOSURE.

Place : Nagpur
Date : 16.05.2016

As per our Report of even date

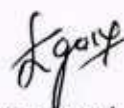
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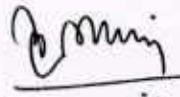
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For and on behalf of the Board



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