



SOLAR INDUSTRIES INDIA LIMITED

21st

ANNUAL REPORT

2015-2016

INDEPENDENT AUDITOR'S REPORT

To the Members of
Solar Industries India Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **M/s Solar Industries India 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 Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 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 standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and 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 auditors consider 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's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit/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, 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 standalone 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;
- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 32 to the financial statements;
 - ii. The Company has long-term contracts including derivative contracts for which there were no 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 - Refer Note 5 to the financial statements.

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



C. N. Rathi
Partner
Membership No. 39895



Place : Nagpur
Dated : 16.05.2016

Annexure A to the Auditors' Report

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) The inventories of finished goods, work in process, stores, spare parts and raw materials have been physically verified by the Management during the year at reasonable intervals. No such material discrepancies have been noticed.
- iii) The Company has granted loans to eight bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
 - a) In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the term and condition of the grant of such loan are not prejudicial to company's interest. The borrowers have been regular in the payment of the interest as stipulated. The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand.
 - b) There are no overdue amounts in respect of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act.
- iv) In our opinion and according to the information and explanations given to us, the Company has given guarantee for loans taken by it's wholly owned overseas subsidiary from bank and the terms and conditions thereof are not prejudicial to the interest of the company. The provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- v) The Company has not accepted deposits hence not required to comply directives issued by the Reserve Bank of India and the provision of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed.
- vi) 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.



- vii) 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. However, according to information and explanations given to us, the following dues of income tax, sales tax, service tax and value added tax have not been deposited by the Company on account of disputes:

Name of the statute	Nature of dues	Amt under dispute not deposited (Rs. in Lacs)	Period to which the amount relates	Forum where dispute is pending
Service Tax Act	Service Tax	6.48	Feb'2005 to Mar'2006	Commissioner (Appeal)
Central Excise Act, 1944	Excise Duty	28.66	Apr'1997 to Mar'2000	CESTAT, Mumbai
Central Sales Tax Act, 1956	CST	239.59	Apr'2009 to March 2010	Sales-Tax Tribunal, Mumbai
Central Sales Tax Act, 1956	CST	245.09	Apr'2010 to March 2011	Sales-Tax Tribunal, Mumbai
Central Sales Tax Act, 1956	CST	244.21	Apr'2011 to March 2012 **	Sales-Tax Tribunal, Mumbai

**The company is in the process of filing as appeal before Sales Tax Tribunal, Mumbai.

- viii) 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.
- ix) To the best of our information and knowledge and as per the records verified by us, the company has applied its term loan for the purposes for which those were obtained and company did not raise any amount by way of initial public offer or further public offer.
- x) 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.
- xi) As per the information provided managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.



- xii) In our opinion, the Company is not a Nidhi Company. Accordingly the comments referred to in clause are not applicable to the Company.
- xiii) 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.
- xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv) The company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi) 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

Annexure B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of Solar Industries India Ltd ('the Company') as of 31st March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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


C. N. Rathi
Partner
Membership No. 39895



Place : Nagpur
Dated : 16.05.2016

SOLAR INDUSTRIES INDIA LIMITED**ANNEXURE-1****SIGNIFICANT ACCOUNTING POLICIES FOR THE YEAR ENDED 31st 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. Tangible Fixed Assets

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates less accumulated depreciation and impairment loss, if any. The cost of Tangible Assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Projects under which assets are not ready for their intended use are disclosed under Capital Work-in-Progress.

d. Depreciation on Tangible Fixed Assets

Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except in respect of the following assets, where useful life is different than those prescribed in Schedule II are used, which is based on independent technical evaluation.

Particulars	Depreciation
R.C.C. Roads	Over its useful life as technically assessed (30 years)
W.B.M Roads	Over its useful life as technically assessed (15 years)
Plant & Machinery :	
(a)BDS Machinery	Over its useful life as technically assessed (12 years)
(b)KP Machinery	Over its useful life as technically assessed (25 years)
(c)Other Machinery	Over its useful life as technically assessed (20 years)
Vehicle :	
Tankers & Vans	Over its useful life as technically assessed (10 years)
Pump Truck	Over its useful life as technically assessed (12 years)



e. 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.

f. Impairment of Tangible Assets

An asset is treated as impaired when the carrying amount of an asset exceeds its recoverable value and is written down to its recoverable amount. An impairment loss is charged to Profit and Loss Account in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

g. Investments

Current investments are carried in the financial statements at lower of cost and quoted/fair value computed category wise. Non Current investments are stated at cost. However, provision for diminution in value of Non Current investment is made only if such decline is other than temporary.

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.

i. 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.

j. Foreign Currency Translation

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.

Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract.

Non monetary foreign currency items are carried at cost.



In respect of integral foreign operations, all transactions are translated at rates prevailing on the date of transaction or that approximates the actual rate at the date of transaction. Monetary assets and liabilities are restated at the year end rates.

Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss account except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

k. Retirement and Other Employee Benefits

Defined Contribution Plans such as Provident Fund etc. are charged to the statement Profit & Loss Account as incurred. Defined benefit Plans - The present value of the obligation under such plan, is determined based on an actuarial valuation using the Projected Unit Credit Method, Actuarial gains and losses arising on such valuation are recognised immediately in the Profit & Loss Account. In case of funded defined benefit plans the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis. Other Long term Employee Benefits are recognised in the same manner as Defined Benefit Plans.

Termination benefits are recognised as and when incurred. However, the termination benefits which fall due more than twelve months after the Balance Sheet are discounted using the yield on Government Bonds.

l. Income Taxes and Deferred Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.

m. 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 Earning per share and Basic Earning per share will be same.

n. 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.



o. Contingent Liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the company of a present obligation that is not recognized because it is not probable than an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements. Contingent assets are neither recognized nor disclosed in the Financial Statements.

p. Cash and Cash Equivalents

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

q. Financial Derivatives and Commodity Hedging Transactions

In respect of derivative contracts, premium paid, gains / losses on settlement and losses on restatement are recognised in the Profit and Loss account except in case where they relate to the acquisition or construction of fixed assets, in which case, they are adjusted to the carrying cost of such assets.

r. Export Incentives

Export benefits under various scheme announced by the Central Government under Exim Policy are accounted on accrual basis to the extent considered receivable depending on the certainty of receipts.

s. Insurance Claims

Insurance and other claims to the extent considered recoverable are accounted for in the year of claim based on the amount assessed by the surveyor. However, claim and refunds whose recovery is ascertained with reasonable certainty are accounted for on acceptance / actual receipt basis.

t. Leases

The company's significant leasing arrangements are in respect of operating leases for premises (residential, office, stores, godowns etc.) The leasing arrangement which are not cancellable range between 11 months and five years generally, and are usually renewable by mutual consent on agreed terms. The aggregate lease rentals payable are charged as rent including leases rentals.

u. Research and Development Expenses

Revenue expenditure pertaining to research is charged to the Profit and Loss Statement. Development costs of products are charged to the Profit and Loss Statement unless a product's technological feasibility has been established, in which case such expenditure is capitalized.



SOLAR INDUSTRIES INDIA LIMITED
(Cartridge, Accessories & Bulk Division)
BALANCE SHEET AS AT 31ST MARCH, 2016

PARTICULARS	NOTE	AS AT 31.03.2016	AS AT 31.03.2015
CAPITAL AND LIABILITIES			
SHARE HOLDERS' FUND			
Share Capital	1	180980110.00	180980110.00
Reserves and Surplus	2	5677537044.91	5055056495.11
		5858517154.91	5236036605.11
NON-CURRENT LIABILITIES			
Long-Term Borrowings	3	966673759.80	784288572.00
Deferred Tax Liabilities (net)	4	249440411.00	245356264.00
Other Long-Term Liabilities	5	1376578.00	403727.00
Long-Term Provisions	6	0.00	6806231.00
		1217490748.80	1036854794.00
CURRENT LIABILITIES			
Short-Term Borrowings	7	569604277.33	602234120.03
Trade Payables	8	657003559.12	387387247.47
Other Current Liabilities	9	581821918.96	609815817.56
Short-Term Provisions	10	120441095.91	53839690.62
		1928870851.32	1653276875.68
TOTAL		9004878755.03	7926168274.79
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets			
Tangible Assets	11	3510662761.02	2876409401.72
Capital Work-In-Progress	11	121282488.30	203444896.08
Non-Current Investments	12	594714892.00	583762912.00
Long-Term Loans and Advances	13	1180700393.31	711822376.42
Other Non Current Assets	14	379870575.86	368189004.00
		5787231110.49	4743628590.22
CURRENT ASSETS			
Current Investments	15	53755981.64	2266926.98
Inventories	16	694589826.35	463045915.39
Trade Receivables	17	1163199273.89	1155561460.13
Cash and Bank Balances	18	64970675.00	189867998.62
Short Term Loans and Advances	19	535283645.56	591505841.10
Other Current Assets	20	705848242.10	780291542.35
		3217647644.54	3182539684.57
TOTAL		9004878755.03	7926168274.79
Significant Accounting Policies			
Notes on Financial Statements			
	1 to 20		

Place : Nagpur
Date : May 16, 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



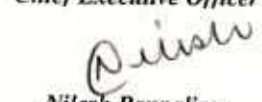
For and on behalf of the Board


S.N. Nupal
Chairman &
Executive Director


K.C. Nupal
Vice Chairman &
Executive Director


Manish Nuwal
Managing Director &
Chief Executive Officer


Khushboo Pasari
Company Secretary


Nilesh Panpaliya
Chief Financial Officer

SOLAR INDUSTRIES INDIA LIMITED
(Cartridge, Accessories & Bulk Division)
STATEMENT OF PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31st MARCH, 2016

PARTICULARS	NOTE	31.03.16	31.03.15
Revenues			
Revenue From Operations	21	10894985687.05	10147517714.77
Other Income	22	101885813.34	198281722.02
TOTAL REVENUE		10996871500.39	10345799436.79
EXPENSES			
Cost of materials consumed	23	6409657119.11	5998627746.75
Purchases of Stock in Trade		612069895.09	555364647.82
Changes in inventories	24	-29774866.19	23730028.47
Employee Benefit Expenses	25	434106560.98	404231428.71
Finance Costs	26	79213624.79	72383396.21
Depreciation and amortization expenses		177232802.46	176620486.19
Other Expenses	27	1645356427.85	1611342183.39
TOTAL EXPENSES		9327861564.09	8842299917.54
PROFIT BEFORE EXCEPTIONAL ITEMS		1669009936.30	1503499519.25
Less: Exceptional Items	28	0.00	100014256.00
PROFIT BEFORE TAX		1669009936.30	1403485263.25
Tax Expenses :			
Current Tax		557989471.00	223702099.00
MAT Credit		0.00	26508819.00
Deferred Tax		4084147.00	73278659.00
Prior Period Taxes		-5648698.50	760831.00
		556424919.50	324250408.00
Profit / (Loss) for the period from continuing operation		1112585016.80	1079234855.25
Profit for the year		1112585016.80	1079234855.25
Earning per equity share of face value Rs. 10 each		61.48	59.63
Significant Accounting Policies	21 to 37		
Notes to Financial Statements			

Place : Nagpur
Date : May 16, 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

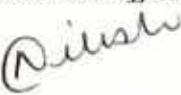


For and on behalf of the Board

 - 
S.N. Nuwal
Chairman &
Executive Director


Khusboo Pasari
Company Secretary


Manish Nuwal
Managing Director &
Chief Executive Officer


Nilesh Panpaliya
Chief Financial Officer

SOLAR INDUSTRIES INDIA LIMITED

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

PARTICULARS	2015-16		2014-15	
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
A. Cash Flow From Operating Activities				
Net Profit Before Tax		1669009936.30		1403485263.25
Adjustments for :				
Depreciation	177232802.46		176620486.19	
Interest & Financial Expense	79213624.79		72383396.21	
Dividend Income	-57300.50		-150051894.80	
Interest Income	-69485030.33		-41031802.22	
Provision For Advances Written Off			100014255.00	
		186904096.42		157934440.38
Operating Profit before Working Capital Changes		1855914032.72		1561419703.63
(Increase)/Decrease in Sundry Debtors	-7637813.76		243136247.10	
(Increase)/Decrease in Inventories	-231543910.96		242783617.41	
(Increase)/Decrease in Loans & Advances	56222195.54		-228043859.68	
(Increase)/Decrease in Other Current Assets	74443300.25		43458296.84	
Increase/(Decrease) in Trade payables	269616311.65		19194564.98	
Increase/(Decrease) in Other Current Liabilities	-27993898.60		-86687581.26	
Increase/(Decrease) in Short Term Provision	66601405.29		-47675137.69	
		199707589.41		186166147.70
Cash Generated from Operations		2055621622.13		1747585851.33
Income Tax Paid	557989471.00		250210918.00	
Prior period taxes	-5648698.50		760831.00	
		552340772.50		250971749.00
Net Cash from Operating Activities		1503280849.63		1496614102.33
B. Cash Flow From Investing Activities				
(Increase)/Decrease in Tangible Assets	-811486161.76		-365523066.15	
(Increase)/Decrease in Capital Work-in-Progress	82162407.78		-121962792.34	
(Increase)/Decrease in Non-current investment	-10951980.00		84095861.24	
(Increase)/Decrease in Other Non current Asset	-11681571.86		-212498829.00	
Dividend Income	57300.50		150051894.80	
(Increase)/Decrease in Current Investment	-51489054.66		22760512.85	
Interest Income from Investing Activities	37830829.21		12427309.06	
Provision For Advances Written Off	0.00		-100014255.00	
Net Cash from Investing Activities		-765558230.79		-530663364.54
C. Cash Flow From Financing Activities				
Short-term borrowings	-438760672.58		-267768258.66	
Reduction in Working Capital Loans	406130829.88		-913250190.00	
Increase in Long-term loans and Advances	-468878016.89		129287921.22	
Increase/(Decrease) in Long Term Borrowing	182385187.80		260076072.00	
Increase/(Decrease) in Long Term Provisions	-6806231.00		-1273600.00	
Increase/(Decrease) in Other Long Term Liabilities	972851.00		-26169.28	
Interest Income from Financing Activities	31654201.12		28604493.16	
Interest & Financial Expense	-79213624.79		-72383396.21	
Interim / Final Dividend	-407207048.00		-307666187.00	
Tax on Interim Dividend	-82897419.00		-33219108.00	
Net Cash from Financing Activities		-862619942.46		-1177618422.77
Net Increase in Cash & Cash equivalents		-124897323.62		-211667684.98
Cash & Cash equivalents at the beginning of period	189867998.62		401535683.60	
Cash & Cash equivalents at the end of period	64970675.00		189867998.62	
	-124897323.62		-211667684.98	

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.

2) The figures of the Previous year are regrouped / rearranged wherever considered necessary.

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 : May 16, 2016



For and on behalf of the Board

S.N.Nuwal
Chairman &
Executive Director

K.C.Nuwal
Vice Chairman &
Executive Director

Manish Nuwal
Managing Director &
Chief Executive Officer

Khushboo Pasari
Company Secretary

Nilesh Panpaliya
Chief Financial Officer

SOLAR INDUSTRIES INDIA LIMITED

NOTES ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2016

NOTE - 1				
SHARE CAPITAL				
	Particular	As at 31.03.2016		As at 31.03.2015
(a)	Authorised Share Capital			
	27000000 Equity Shares of Rs. 10/- each		270000000.00	270000000.00
	Issued, Subscribed & Paid up			
	18098011 Equity Shares of Rs. 10/- each		180980110.00	180980110.00
			180980110.00	180980110.00
	Shares issued in last 5 years			
	774195 shares at the face value of Rs. 10 each allotted at a premium of Rs. 920 in the year 2012-13			
(b)	Details of Shareholders holding more than 5% Equity Shares			
	Particular	As at 31.03.2016		As at 31.03.2015
		No . of share	% held	No . of share % held
	Name of Shareholder - Percentage Held			
1	Shri Satyanarayan Nuwal	4068739	22.48	4055787 22.41
2	Shri Kailashchandra Nuwal	3547819	19.60	3547819 19.60
3	Smt Indira Devi Nuwal	1113646	6.15	1113646 6.15
4	Smt. Leela Devi Nuwal	1015188	5.61	1015188 5.61
5	Smt. Sohan Devi Nuwal	929938	5.14	929938 5.14
(c)	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		18098011.00	18098011.00
	Add: Shares issued during the year		0.00	0.00
	Number of Shares at the end of the year		18098011.00	18098011.00



SOLAR INDUSTRIES INDIA LIMITED

NOTES ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2016

Particular	As at 31.03.2016	As at 31.03.2015
NOTE - 2		
RESERVES AND SURPLUS		
CAPITAL RESERVE		
Capital Reserve	42895104.76	42895104.76
	42895104.76	42895104.76
Security Premium Account		
Opening Balance	1491292643.03	1491292643.03
ADD - On Issue of Share		
Closing Balance	1491292643.03	1491292643.03
General Reserve		
Opening Balance	1566082802.00	1266082802.00
Add:- Transfer from Profit & Loss Account	450000000.00	300000000.00
Closing Balance	2016082802.00	1566082802.00
Surplus in Statement of Profit and Loss		
Opening Balance	1954785945.32	1574687573.38
Profit for the year	1112585016.80	1079234855.25
Less: Appropriations		
Interim Dividend	407207048.00	144784088.00
Proposed dividend on Equity Shares(Dividend Per share Rs 7. (PY Rs 6))	0.00	162882099.00
Tax on Dividend	82897419.00	33219108.00
Transfer to General Reserve	450000000.00	300000000.00
Depreciation in respect of Assets whose useful life is over		58251188.31
Closing Balance	2127266495.12	1954785945.32
Grand Total	5677537044.91	5055056495.11



SOLAR INDUSTRIES INDIA LIMITED

NOTES ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2016

Particular	As at 31.03.2016	As at 31.03.2015
NOTE - 3		
LONG TERM BORROWINGS		
(a) SECURED		
1.Foreign currency Term Loan From Bank ECB*	966673759.80	784288572.00
	966673759.80	784288572.00
External Commercial Borrowing from DBS Bank amounting to 10 million \$, Corporate loan from HDFC - 3.82 million \$, and ICICI corporate loan - 3.20 million \$ referred to in (1) above are secured by Exclusive charge on the tangible movable & immovable fixed assets and working capital term loan from Indusind bank - 5.48 million \$ having first Pari Passu charge on company's entire current asset, both present & future and second Pari Passu charge on company's entire current assets, both present & future.		
MATURITY PROFILE (Rs in Lacs)*		
2017-2018	2018-2019	
8233.48	1433.25	
NOTE - 4		
DEFERRED TAX LIABILITY		
Opening Balance	245356264.00	172077605.00
Addition during the year	4084147.00	73278659.00
	249440411.00	245356264.00
NOTE - 5		
OTHER LONG-TERM LIABILITIES		
Unpaid dividend 08-09	50985.00	50985.00
Unpaid dividend 09-10	96452.00	96452.00
Unpaid dividend 10-11	53376.00	53376.00
Unpaid dividend 11-12	65790.00	65790.00
Unpaid dividend 12-13	61684.00	61684.00
Unpaid dividend 13-14	54835.00	54835.00
Unpaid dividend 14-15	58519.00	20605.00
Unpaid dividend 15-16	934937.00	0.00
	1376578.00	403727.00



SOLAR INDUSTRIES INDIA LIMITED

NOTES ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2016

Particular	As at 31.03.2016	As at 31.03.2015
NOTE - 6		
LONG TERM PROVISIONS		
Provisions for Sales Promotions	0.00	6806231.00
	0.00	6806231.00
NOTE - 7		
SHORT-TERM BORROWINGS		
SECURED LOANS		
Loan From Banks		
Rupee Loan Working Capital #	163473447.45	40616624.48
Foreign Currency Loan (Working Capital / Packing Credit)#	0.00	561617495.55
TOTAL (A) -	163473447.45	602234120.03
UNSECURED LOANS		
Rupee Loan Working Capital		
Foreign Currency Loan (Working Capital / Packing Credit)		
Buyers Credit Foreign Currency Loan From Banks	328883924.10	0.00
TOTAL (B) -	328883924.10	0.00
From Related Party (See Note No. 29)	77246905.78	0.00
TOTAL (C) -	77246905.78	0.00
TOTAL (A+B+C) -	569604277.33	602234120.03
# Working Capital loans are secured by hypothecation of entire stocks , raw material , stock in process , finished goods , consumables, stores & spares , book debts , outstanding money receivables , entire current asset of company, claims & bills receivables paripassu second charges on current & future fixed assets .		
NOTE 8		
TRADE PAYABLES		
Micro , Small & Medium Enterprises *	31156868.59	34599796.42
Related Parties (see note no. 29)	67115753.71	0.00
Others	558730936.82	352787451.05
	657003559.12	387387247.47
* The details of amounts outstanding to Micro , Small & Medium Enterprises based on the available information with the company as under :-		
Principal amount due & remaining unpaid.	-	-
Interest due on above & the unpaid interest	-	-
Interest Paid	-	-
Payment made beyond the appointed date during the year	-	-
Interest due & payable for the period of delay	-	-
Interest accrued & remaining unpaid	-	-
Amt of further interest remaining due & payable in Succeeding years	-	-



SOLAR INDUSTRIES INDIA LIMITED

NOTES ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2016

Particular	As at 31.03.2016	As at 31.03.2015
NOTE 9		
OTHER CURRENT LIABILITIES		
Current Maturities of long term Debt	223680420.00	162011428.00
Others Payables #	74685648.17	249307209.79
Creditors for Capital Expenditure	11111074.63	2685270.59
Advances received from Customers	177910552.41	110301930.24
Creditors for Transporter & Other	94434223.75	85509978.94
	581821918.96	609815817.56
# Other payable includes Statutory dues & Expenses Payable.		
NOTE 10		
SHORT TERM PROVISIONS		
Provision for employee benefits	40370566.38	31907498.38
Others #	80070529.53	21932192.24
	120441095.91	53839690.62
# The company had recognised liability on the basis of expenses incurred on substantial degree of estimation on sale of goods. Actual cash flow is expected in next Financial Year		



NOTE-11

SCHEDULE OF FIXED ASSETS

NOTES ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2016

ASSETS	GROSS BLOCK AS ON 01.04.2015	ADDITIONS DURING PERIOD	DEDUCTIONS DURING PERIOD	GROSS BLOCK AS ON 31.03.2016	DEPRECIATION				NET BLOCK	
					UPTO 01.04.2015	DURING THE PERIOD	DEDUCTIONS / ADJUSTMENTS DURING THE PERIOD	UP TO 31.03.2016	AS ON 31.03.2016	AS ON 31.03.2015
LAND	288960966.25	14519895.00	0.00	303480861.25	0.00	0.00	0.00	0.00	303480861.25	288960966.25
PLOT	146904721.00	16019740.00	0.00	162924461.00	0.00	0.00	0.00	0.00	162924461.00	146904721.00
CIVIL CONSTRUCTION	1202739795.21	219333131.02	0.00	1422072926.23	210031307.40	35314214.65	0.00	245345522.05	1176727404.18	992708487.81
OFFICE BUILDING	47383233.00	0.00	0.00	47383233.00	2647646.63	153099.83	0.00	2800746.46	44582486.54	44735586.37
PLANT & MACHINERY	1636900818.57	546604229.45	17443489.56	2166061558.46	390715809.50	108861265.13	1706960.70	497870113.93	1668191444.53	1246185009.07
FURNITURE & FIXTURES	36599766.14	3498247.66	0.00	40098015.80	13727072.71	4344868.68	0.00	18071941.39	22026074.41	22872695.43
OFFICE EQUIPMENT	76311160.77	4383735.41	0.00	80694896.18	51643594.23	8689345.96	0.00	60332940.19	20361955.99	24667466.54
VEHICLES	276716026.57	25313440.55	9734593.15	292294876.97	168317214.32	19870008.21	7284864.68	180902357.85	111392519.12	108398515.25
PLANTATION	975554.00	0.00	0.00	975554.00	0.00	0.00	0.00	0.00	975554.00	975554.00
	3713492046.51	829672419.09	27178082.71	4515986382.89	837082644.79	177232802.46	8991825.38	1005323621.87	3510662761.02	2876409401.72

Capital Work in Process

I. Capital Work in Process includes:	31.03.2016	31.03.2015
Project Development Expenditure	4356344.33	127260683.18
Machinery under Installation	84021315.12	30951052.81
Furniture & Fixture under Installation	2206196.99	991364.05
Building Under Construction	25358951.47	25385477.05
Vehicle	644699.39	5932162.99
Free Hold Land	4694981.00	12924156.00
TOTAL	121282488.30	203444896.08

SOLAR INDUSTRIES INDIA LIMITED

NOTES ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2016

Particular	As At 31.03.2016	As At 31.03.2015
NOTE-12		
NON- CURRENT INVESTMENTS		
LONG-TERM INVESTMENTS		
(Unquoted Equity Instruments)-At Cost		
Equity share - 48,00,000 Nos. @ 30.20 each held in Economic Explosives Ltd	144964000.00	144964000.00
Equity share - 85000 Nos. @ \$ 100 /- Each @ Rs.45.67 held in Solar Overseas Mauritius Ltd	388221250.00	388221250.00
Equity share - 490000 Nos. @ of Rs 10 each held in SMS Bhatgaon Mines Extension Pvt Ltd	4900000.00	4900000.00
Equity share - 490000 Nos. @ of Rs 10 each held in Solar Bhatgaon Extension Mines Pvt Ltd	4900000.00	4900000.00
Equity share - 250000 Nos. @ of Rs 10 each held in Rainbow Production Ltd	0.00	2500000.00
Equity share - 110000 Nos. @ of Rs 10 each held in Ganga Care Hospital Ltd	1100000.00	1100000.00
Equity share - 50000 Nos. @ of Rs 10 each held in Solar Mines & Minerals Ltd	500000.00	500000.00
Equity share - 50000 Nos. @ of Rs 10 each held in Solar Mining Resources Ltd	500000.00	500000.00
Equity share - 498766 Nos. @ of Rs 10 each held in Blastech India Pvt Ltd.	4987660.00	0.00
Equity share - 4977700 Nos. @ of Rs 1.60 each held in Emul Tek Pvt Ltd.	7964320.00	0.00
Equity share - 50000 Nos. @ of Rs 10 each held in Solar Defence Ltd.	500000.00	0.00
	558537230.00	547585250.00
In Mutual Funds		
(Valued at Cost)		
Kotak Private Equity Bond- Growth Fund II	36147662.00	36147662.00
	36147662.00	36147662.00
Investments in Government or trust securities		
(Valued at Cost)		
National Saving Certificates	30000.00	30000.00
	30000.00	30000.00
	594714892.00	583762912.00



SOLAR INDUSTRIES INDIA LIMITED

NOTES ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2016

Particular	As At 31.03.2016	As At 31.03.2015
NOTE-13		
LONG TERM LOANS AND ADVANCES		
Unsecured, considered good		
Capital Advances		
- Others	80150760.87	50109654.38
- loans & Advances - Good		
- To, Related Party # (see note no 29)	387609136.08	68568812.04
- To, Other	686045131.36	563305105.00
	1153805028.31	681983571.42
Security Deposit & other Deposit		
- Others	26895365.00	29838805.00
	1180700393.31	711822376.42
# Loans & Advances in the nature of loans given Subsidiaries & Associates.		
Subsidiaries and fellow subsidiaries - Rs. 378630062.08		
Associates - Rs. 8979074.00		
NOTE-14		
Other Non current Asset		
Balances with bank held as margin money or security against borrowing guarantees and other commitments		
Trade Receivable (Above 12 months)		
- Related Parties (see note no. 29)	173008587.14	161022252.00
- Other	206861988.72	207166752.00
- Doubtful Debts	75586261.04	42969290.00
	455456836.90	411158294.00
Less: Provision for Doubtful Trade Receivables	75586261.04	42969290.00
	379870575.86	368189004.00



SOLAR INDUSTRIES INDIA LIMITED

NOTES ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2016

Particular	As At 31.03.2016	As At 31.03.2015
NOTE-15		
CURRENT INVESTMENTS		
In Mutual Funds		
HDFC Assets Mangement Co. Ltd.	19206140.00	0.00
Reliance Capital Assets Manangement Ltd.	29930896.64	0.00
	49137036.64	0.00
Investments in Equity Instruments-Quoted	4618945.00	2266926.98
(Valued at Cost)		
	4618945.00	2266926.98
Aggregate Value of quoted Investments	53755981.64	2266926.98
NOTE-16		
INVENTORIES		
(Valued at weighted average cost basis)		
Raw Materials, Packing Materials	468935565.62	305705532.60
Consumables	100168014.84	60331578.22
Stock in Trade -(Traded Goods)	0.00	1032428.04
Semi Finished Goods	90011287.68	67193403.02
Finished Goods	35474958.21	28517976.68
Goods In Transit		264996.83
	694589826.35	463045915.39
NOTE-17		
Trade Receivables		
(a) Over 6 Months		
Unsecured, Considered Good		
- Related Parties (see note no 29)	152937086.88	189087088.00
- Other	47388452.96	74105504.00
	200325539.84	263192592.00
(b) Others		
Secured, Considered Good		
- Other	27848045.31	39097277.00
Unsecured, Considered Good		
- Related Parties (see note no. 29)	196974235.50	149996080.00
- Other	738051453.24	703275511.13
	1163199273.89	1155561460.13



SOLAR INDUSTRIES INDIA LIMITED

NOTES ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2016

Particular	As At 31.03.2016	As At 31.03.2015
Unsecured, Considered good		
NOTE-18		
CASH AND CASH EQUIVALENTS		
Cash and Cash Equivalent		
Balances with Banks:		
In Current Accounts	18749374.29	15230664.17
Cash in hand	4857484.98	6484413.48
Other Bank Balances		
In Fixed Deposits With Bank *	41363815.73	168152920.97
	64970675.00	189867998.62
* (i) FDR of Rs 3,98,67,832 /-held as margin money or security against the borrowing & other commitments of less than 12 months period.		
NOTE-19		
SHORT TERM LOANS AND ADVANCES		
Unsecured, considered good		
Loans & Advances to Employees	2618229.90	2785600.90
Goods Suppliers & Service Providers	77473856.59	118794395.02
Other Advances		
Advances recoverable in cash or in kind or for value to be received		
- Related Parties (see note no. 29)	187060925.00	0.00
- Others	268130634.07	469925845.18
	455191559.07	469925845.18
	535283645.56	591505841.10
NOTE-20		
OTHER CURRENT ASSETS		
Balance with Revenue Authorities	705730574.10	683105807.59
Other Receivables	117668.00	90400066.35
Interest Accrued but not due	0.00	6785668.41
	705848242.10	780291542.35



SOLAR INDUSTRIES INDIA LIMITED

NOTES ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2016

Particular	31.03.2016	31.03.2015
NOTE-21		
Revenue :		
Sale of products:		
Finished goods	11153877872.77	10447135830.32
Traded goods	779079510.52	665646191.09
Other Operating Income	52464131.49	55673517.67
	11985421514.78	11168455539.08
Less: Excise Duty	1090435827.73	1020937824.31
Total	10894985687.05	10147517714.77
Details of Sales (Finished goods)		
Explosives / Explosive Accessories	11153877872.77	10447135830.32
Details of Sales (Traded goods)		
A.N,Explosives & Other	779079510.52	665646191.09
Total	11932957383.29	11112782021.41
NOTE-22		
Other Income		
Interest Income		
Interest From FDR	2727392.86	5149443.30
Income from Bond	3904524.31	2912059.56
Income from Subsidiary	33926304.90	9515249.50
Interest from Other	28926808.26	23455049.86
Interest received on income tax refund	24665595.00	0.00
Dividend Income		
From Subsidiaries	0.00	144490365.00
From Other	57300.50	5561529.80
Miscellaneous Receipts	7677887.51	7198025.00
	101885813.34	198281722.02
NOTE- 23		
Cost of materials consumed		
Cost of raw materials consumed during the year	6046486659.66	5666674459.34
Cost of packing materials consumed during the year	363170459.45	331953287.41
Cost of Material Consumed	6409657119.11	5998627746.75



SOLAR INDUSTRIES INDIA LIMITED

NOTES ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2016

PARTICULARS	31.03.2016	31.03.2015
NOTE-24		
Changes in inventory of finished goods and work in process		
(Increase)/decrease in stocks		
Stock at the end of the year:		
Change in Stock of Finished Goods	-6956981.53	32870072.95
Change in Stock of Semi Finished Goods	-22817884.66	-9140044.48
(Increase)/Decrease in Stocks	(29774866.19)	23730028.47
NOTE-25		
Employee Benefit Expenses		
Salaries, Wages and Bonus	412873717.49	374651610.57
Contribution to Provident and Other Funds	15339301.00	20348936.60
Staff Welfare Expenses	5893542.49	9230881.54
	434106560.98	404231428.71
NOTE-26		
Finance Costs		
Interest Charges	74546963.36	70132700.21
Other Borrowing Costs	4666661.43	2250696.00
	79213624.79	72383396.21



SOLAR INDUSTRIES INDIA LIMITED

NOTES ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2016

PARTICULARS	31.03.2016	31.03.2015
NOTE-27		
Other Expenses		
Sales Tax (Net) *	615303530.00	571860759.00
Export Expenses	144506517.51	193056083.73
Power & Fuel	132911152.44	121001448.79
Discounts and Settlements	98975431.10	78762126.40
Transportation Charges	88980311.03	122940326.25
Remuneration to Directors	71975000.00	68640000.00
Consumption of Consumables	50380060.33	74218282.16
Pump Truck Expenses	44595019.46	45451292.00
Repairs & Maintenance - Vehicles & Others	42308698.33	36372613.23
Security Service Charges	41757327.85	40181934.62
Travelling Expenses	37489348.82	34230180.44
Repairs & Maintenance - P & M, Electricals	34649069.39	45837625.02
Provision for Bad & Doubtful Debts	32616972.00	0.00
Consultancy Charges	29729533.84	25030565.08
Sales Promotion Expenses	18787173.55	11215916.23
Other Expenses	160391282.20	142543030.44
	1645356427.85	1611342183.39
* Sales Tax Subsidy reduced from Sales Tax		
NOTE-28		
Exceptional Items		
Provision for Advances Written Off	0.00	100014256.00
	0.00	100014256.00



SOLAR INDUSTRIES INDIA LIMITED
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2016

29 (1) RELATED PARTY DISCLOSURES :-

As Per Accounting Standard 18 , the disclosures of transactions with the related parties are given below :-
 (i) List of related parties where control exists & related parties with whom transactions have taken place & relationships :-

R NC	NAME OF RELATED PARTY
	SUBSIDIARIES :-
1	Economic Explosives Ltd
2	Solar Mines & Minerals Ltd
3	Solar Mining Resources Ltd
4	Emul Tek Private Ltd
5	Blastec (India) Pvt Ltd
6	Solar Defence Ltd
7	Solar Defence Systems Ltd
	OVERSEAS SUBSIDIARIES:-
1	Solar Overseas Mauritius Ltd
	FELLOW OVERSEAS SUBSIDIARIES:-
1	Solar Overseas Netherlands Cooperative U.A
2	Solar Overseas Netherlands B.V.
3	Solar Pattlayici Maddeler Sanayi Ve Ticaret Anonim Sirketi
4	PATSAN Pattlayici Maddeler Sanayi Ve Ticaret
5	Solar Overseas Singapore Pte Ltd
6	Nigachem Nigeria Ltd
7	Solar Explochem Zambia Ltd
8	Solar Mining Services Australia Pty Ltd
9	Solar Nitrochemicals Ltd
10	Solar Industries Africa Ltd
11	Solar Explochem (Ghana) Ltd
12	P.T. Solar Mining Services
13	Solar Mining Services Pty Ltd
14	Solar Industries Mozambique LDA
	ASSOCIATES:-
1	Solar Bhatgaon Extension Mines Pvt Ltd
2	SMS Bhatgaon Mines Extension Pvt Ltd
3	Australian Explosive Technologies Group Pty Ltd
	OTHER:-
1	Solar Synthetics Private Limited
2	Mahakal Infrastructures Pvt Ltd
3	Mahakal Project Pvt Ltd
4	Nagpur Infrastructure Pvt Ltd
5	Solar Initiating Systems Ltd
6	Solar Processors Ltd
7	Commercial Sales Corporation
8	Gulmohar Developers & Constructions Pvt Ltd
9	Sun Developers & Constructions Pvt Ltd
10	Sunbeam Developers & Constructions Pvt Ltd.
11	Sundrop Realtors Pvt Ltd
12	Sunland Infracon Pvt Ltd
13	Sunlight Infraventures Pvt Ltd
	KEY MANAGEMENT PERSONNEL:-
1	Shri S.N. Nuwal
2	Shri K.C. Nuwal
3	Shri Manish Nuwal
4	Shri R D Vakil
5	Shri Anil Kumar jain
6	Shri Nilesh Panpaliya
7	Mrs. Khushboo Pasari



29 (2) TRANSACTIONS DURING THE YEAR WITH THE RELATED PARTIES (Excluding reimbursements) :- (Rs. in Lacs)

NATURE OF TRANSACTIONS	SUBSIDIARY		ASSOCIATES / RELATED CONCERN		KEY MANAGEMENT PERSONNEL	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Purchase / Material Consumed	6,510.85	5,084.12	6.22	20.29	-	-
Rent Paid	-	-	2.08	-	-	-
Revenue From Operations-(Mfg/Trading sale)	8,879.38	8,152.98	-	-	-	-
Revenue From Operations-(Sale of Fixed Sale)	165.38	-	-	-	-	-
Revenue From Operations-(Operating Income)	45.11	49.17	-	-	-	-
Loan Recd O/S	-	-	772.47	-	-	-
Loan Given O/S	5656.91	604.64	89.79	81.05	-	-
Interest (Net)	329.62	95.15	(52.87)	(46.57)	-	-
Remuneration, Gratuity	-	-	-	-	854.68	717.91
Dividend Received	-	1,444.90	-	-	-	-
Technical Consultancy Income	24.37	68.24	-	-	-	-
Balance O/S (Net)	4,988.86	5,001.05	(1.13)	-	-	-
Balance O/S	-	-	-	-	-	6.23

30) As Per Accounting Standard (AS) 17 on "Segment Reporting", we are having only one segment hence segment reporting not applicable.

31) RESEARCH AND DEVELOPEMENT EXPENSES INCURRED DURING THE YEAR :-

Particulars	Rs In Lacs:-	
	2015-16	2014-15
a. In the nature of Revenue Expenditure	238.94	252.41
b. In the nature of Capital Expenditure	62.07	10.93

32) CONTINGENT LIABILITIES & COMMITMENTS :-

	Rs In Lacs:-	
	F.Y. 15-16	F.Y. 14-15
1) In Respect Of Counter Guarantees Given to Bank	4,554.19	9,651.23
2) In Respect Of Excise Matters In Dispute / Under Appeal	491.59	580.33
3) In Respect Of Sales Tax Deferment	947.01	947.01
4) In Respect Of Income Tax Matters In Dispute/ Under Appeal	320.40	302.50
5) In Respect Of Sales Tax Matters In Dispute/ Under Appeal	844.09	599.05

33 (1) The Board of Directors of the Company in previous years decided to write off interest income from companies related to Bhatgaon Coal Blocks. The company has written off interest income of Rs.3,000.42 lacs in earlier years. The Board of Directors decided not to charge the interest on outstanding loans.

33 (2) During the year company has purchased shares of its subsidiary M/s. Emul Tek Pvt Ltd at value of Rs.79.64 lacs, Blastec (India) Pvt Ltd of Rs.49.88 lacs and M/s. Solar Defence Ltd at value of Rs.5 lacs.

33 (3) Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification /disclosure.

33 (4) Significant accounting policies and practice adopted by the company are disclosed in the statement annexed to these financial statement as Annexure-1

33 (5) Expenditure related to Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof : of Rs 222.9 lacs

33 (6) ADDITIONAL INFORMATION PURSUANT TO NOTE 5 OF PART II OF THE SCHEDULE III OF THE COMPANIES ACT, 2013 :-

A) Turnover :

Class of Goods	Value in Rs. in lacs		
	Opening Stock As At 01.04.2015	Closing Stock As At 31.03.2016	Turnover 31.03.2016
Explosives & Accessories	285.18	354.75	106385.56
Other Sales	12.97	0.00	8551.37
Total :	298.15	354.75	114,936.93

B) Turnover Of Semi-Finished Products :

Class of Goods	Value in Rs. in lacs		
	Opening Stock As At 01.04.2015	Closing Stock As At 31.03.2016	Turnover 31.03.2016
Semi-Finished	671.93	900.11	3680.68
Other Sales	-	-	1236.60
Total :	671.93	900.11	4,917.28
Grand Total A+B :	970.09	1254.86	119854.21



33 (7) IMPORTES AND INDIGENOUS RAW MATERIAL, COMPONENTS AND SPARE PARTS CONSUMED :-

Particulars	% of total Consumption as on 31.03.2016	Value on 31.03.2016 (Rs.)	Value in Rs. in lacs	
			% of total Consumption as on 31.03.2015	Value on 31.03.2015 (Rs.)
Raw Materials :				
Ammonium Nitrate - Imported	7.97	5,144.12	6.20	3,764.30
Ammonium Nitrate - Indigenous	55.19	35,655.64	55.06	33,436.33
Total (A)	63.16	40,799.76	61.26	37,200.63
Other Raw Materials :				
Imported	1.65	1,066.74	1.14	689.43
Indigenous	34.41	22,230.07	36.39	22,096.22
Total (B)	36.06	23,296.81	37.52	22,785.65
Stores and Spares :				
Imported	0.03	19.17	0.04	26.32
Indigenous	0.75	484.63	1.18	715.86
Total (C)	0.78	503.80	1.22	742.18
Grand Total A+B+C	100.00	64,600.37	100.00	60,728.46

33 (8) During the year Purchases of Stock in trade shown on consumption basis.

33 (9) As on 31.03.16 company has given Financial Guarantee of \$33.75 million for its wholly owned overseas subsidiary.

34) EMPLOYEE BENEFITS

Gratuity Liability for employee benefits has been determined by an actuary of LIC, in conformity with the principles set out in the Accounting Standard 15 (Revised). The details of which are as under

I Amount to be recognised in the Balance sheet	Rs in Lacs:-
Present Value of Funded Obligations	418.66
Fair value of Plan Asset	495.44
Net Assets shown in Balance sheet	76.78
I Present Value of Defined Benefits Obligation	
1 Present Value of Defined Benefit Obligation at the beginning of Year	364.56
2 Interest Cost	29.17
3 Current Service Cost	35.18
4 Benefits Payment	-33.63
5 Actuarial (Gains) / Loss	23.39
6 Present Value of Defined Benefit Obligation at the end of the Year	418.66
II Fair Value of Plan Assets	
1 Plan Assets at the beginning of the Year	466.96
2 Expected return on Plan Assets	38.02
3 Contribution by Employer	24.08
4 Actual Benefits Paid	-33.63
5 Actuarial (Gains) / Loss	-
6 Plan Assets at the end of the Year	495.44
III Actuarial Assumptions:	
1 Discount Rate	8.00%
2 Expected Rate of Return on Plan assets (Gratuity)	8.14%
3 Salary Increase Rate	5.00%

IV Notes

- Every Employee who has completed Minimum five years of service is entitled to Gratuity at 15 days salary for each completed year of services. The scheme is funded with insurance companies in the form of Qualified insurance Policies. Provident fund for certain eligible employees is managed by the Provident fund authorities. The contribution by the employer and employee together with the interest accumulated thereon are payable to employees at the time of separation from the company or retirement, whichever is earlier. The benefits vest immediately on rendering of the services by the employee.
- The minimum interest rate payable by the LIC to the beneficiaries every year is being notified by the LIC.



35) FINANCIAL & DERIVATIVE INSTRUMENTS

a) Foreign currency exposure of the company as at 31.03.16

For hedging Currency and interest rate related risks:

Particulars	As at 31.03.2016				As at 31.03.2015		
	Currency	Nos	Amount in Foreign Currency (In Mio)	Rs in Mio	Nos	Amount in Foreign Currency (In Mio)	Rs in Mio
Forward Contracts Against Export	USD	-	-	-	37	6.80	424.97
Forward Contracts Against Import (including Capital Goods)	USD	1	1.77	117.26	-	-	-
Forward Contract Against FCNR	USD	4	12.50	828.19	2	6.20	387.47
Forward Contract Against ECB	USD	2	6.25	414.06	2	8.75	546.83

b) Foreign currency exposure remaining unhedged of the company as at 31.03.16 :-

Particulars	As at 31.03.2016				As at 31.03.2015		
	Currency	Nos	Amount in Foreign Currency (In Mio)	Rs in Mio	Nos	Amount in Foreign Currency (In Mio)	Rs in Mio
Against Export	USD	19	11.83	717.91	30	17.38	1,005.58
Against Export	EURO	1	0.17	14.76	1	0.21	22.49
Against Import	USD	-	7.22	477.99	-	2.34	146.41
Against FCNR	USD	-	-	-	-	6.60	412.27

Note : All figures are at closing exchange rate for the respective Financial Year

36 (1) VALUE OF IMPORTS ON CIF BASIS IN RESPECT OF :-

	Rs In Lacs:-	
	2015-16	2014-15
Raw Materials & Components & Spares	7,376.27	2,567.05
Capital Goods	789.77	0.72

36 (2) EXPENDITURE IN FOREIGN CURRENCY :-

	Rs In Lacs:-	
	2015-16	2014-15
Ocean/Air Freight	-	14.79
Other Clearing Exp	163.37	62.25
Sales Commission	39.10	160.88
Sales Promotion Exp	93.48	101.82
Bank Interest	612.26	558.58
Office Exp	7.76	7.73
Travelling Exp	17.24	10.91
Bank Charges	8.72	6
Repairs - Plant And Machinery	-	26.32
Pre-operative Expenses	602.93	1213.09
Other Exp	8.35	0.32
Discount Given On Sales	0.89	-

36 (3) PAYMENT TO AUDITORS AS (Excluding Service Tax) :-

	Rs In Lacs:-	
	2015-16	2014-15
(a) AUDITOR :-		
Statutory Audit Fees	29.00	25.00
Vat Audit Fees	4.00	2.75
(b) Certification	4.55	5.15
(c) Taxation & Others	14.71	7.11
TOTAL	52.26	40.01

36 (4) EARNINGS PER SHARE :-

	Rs In Lacs:-	
	2015-16	2014-15
(a) Net Profit After Tax as per Statement of Profit & Loss attributable to Equity Shareholders	11,125.85	10,792.34
(b) Weighted Average number of equity shares used as denominator for calculating EPS	180.99	180.99
(c) Basis & Diluted EPS	61.48	59.63
(d) Face Value per equity share	10.00	10.00



36(E) EARNINGS IN FOREIGN CURRENCY :-

(a) FOB value of exports (Invoice Value- Rs.8986.09)	7,817.62	8,582.33
(b) Other	153.89	492.62

37) The Ministry of Corporate Affairs, Government of India, vide General Circular No.2 and 3 dated 8th February 2011 and 21st February 2011 respectively has granted exemption from compliance with section 212 of the Companies Act, 1956, subject to fulfillment of conditions stipulated in the circulars and hence is entitled to the exemption. Necessary information relating to the subsidiaries has been included in the Consolidated Financial Statement.

Place:- Nagpur
Date:- May 16, 2016

As per our Report of even date
For Gandhi Rathi & Co.
Chartered Accountant


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



For and on behalf of the Board


S.N. Nuwal
Chairman &
Executive Director


K.C. Nuwal
Vice Chairman &
Executive Director


Manish Nuwal
Managing Director &
Chief Executive Officer


Khushboo Pasari
Company Secretary


Nilesh Pansoliya
Chief Financial Officer



SOLAR INDUSTRIES INDIA LIMITED

CONSOLIDATED

ANNUAL REPORT

31st March, 2016

INDEPENDENT AUDITOR'S REPORT

To the Members of
Solar Industries India Limited

Report on the Consolidated Financial Statements

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

Management's Responsibility for the Consolidated 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 consolidated financial statements to give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the group in accordance with 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 the assets of the Group and for preventing and detecting frauds and other irregularities, selection and application of the appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated 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 rules made there under.

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

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

Opinion

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

Other Matters

We did not audit the financial statements/consolidated financial statements of certain subsidiaries included in consolidated financial statements which constitute total assets of **Rs. 40,403.17 lacs** as at 31st March, 2016, total revenues of **Rs.36,573.74 lacs** and net cash outflows amounting to **Rs. 1019.57 lacs** for the year then ended. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub section (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries is based solely on such unaudited financial statements.

Our opinion is not qualified in respect of other matters.

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the consolidated financial statements have been kept in companies incorporated in India so far as it appears from our examination of those books. We did not audit the financial statements of overseas subsidiaries.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, as applicable.
- e) On the basis of the written representations received from the Directors of the Company as on March 31, 2016, taken on record by the Board of Directors of the Company and its subsidiary companies incorporated in India, none of the Directors of the Group companies, incorporated in



India is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls; refer to our report in "Annexure A", which is based on the Auditors' Reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Company and its subsidiary companies incorporated in India.
- g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Group has disclosed the impact of pending litigations on the consolidated financial position of the Group.
 - ii. The Group has long-term contracts including derivative contracts for which there were no 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 and its subsidiary companies incorporated in India.

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



(C. N. Rathi)
Partner
M. No. 39895

Place : Nagpur

Date : 16.05.2016



ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of **Solar Industries India Limited** ('the Holding Company') and its subsidiary companies which are companies incorporated in India, as at March 31, 2016 in conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are



being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

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



**(C. N. Rathi)
Partner
M. No. 39895**



Place : Nagpur

Date : 16.05.2016

SOLAR INDUSTRIES INDIA LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31 ST MARCH, 2016

PARTICULARS	NOTE	31.03.2016	31.03.2015
Income			
Revenue From Operations	20	16635520392.02	14628563122.17
Less: Excise Duty / Service Tax		1253904940.12	1109618014.87
		15381615451.90	13518945107.30
Other Income	21	123597089.54	79047241.67
TOTAL REVENUE		15505212541.45	13597992348.97
EXPENDITURE			
Cost of Material Consumed	22	8543400373.47	7842133832.70
Purchases of Stock in Trade		146194550.58	184653395.53
Changes in inventories of Finished Goods, Semi Finished Goods and Stock in Trade	23	51243557.90	-339685444.19
Employee Benefit Expenses	24	880675998.00	797975227.28
Finance Costs	25	206990467.71	178512259.50
Depreciation		328170646.70	314533494.82
Other Expenses	26	2784855971.38	2493694699.06
TOTAL EXPENSES		12941531565.74	11471817464.69
Profit before exceptional and extraordinary		2563680975.71	2126174884.28
Less: Exceptional Items	27	0.00	100014256.00
PROFIT BEFORE TAXATION		2563680975.71	2026160628.28
Tax Expenses			
Current Tax		718688282.29	366995919.23
MAT Credit		0.00	-11957150.00
Deferred Tax		50657180.01	120118560.15
Prior Period Tax		-5485281.50	-12327465.00
		763860180.80	462829864.38
Profit for the Year (Before Adjustment of Minority Interest)		1799820794.90	1563330763.90
Less : Share of Profit Transferred to Minority Interest		138431650.92	89262186.41
Profit for the Year (After Adjustment of Minority Interest)		1661389143.98	1474068577.49
Earning per equity share of face value Rs. 10 each		91.80	81.45
Significant Accounting Policies	20 to 41		
Notes to Financial Statements			

Place : Nagpur
Date : May 16, 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

S.N. Nuwal
Chairman &
Executive Director

Khushboo Pasari
Company Secretary

K.C. Nuwal
Vice Chairman &
Executive Director

Manish Nuwal
Managing Director &
Chief Executive Officer

Nilesh Panpaliya
Chief Financial Officer

6

SOLAR INDUSTRIES INDIA LIMITED

CONSOLIDATED 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		2,563,680,975.69		2,026,160,628.28
Adjustments for :				
Minority Interest	94,110,097.81		90,386,506.37	
Depreciation	328,170,646.70		314,533,494.82	
Interest & Financial Expenses	206,990,467.71		178,512,259.50	
Capital Reserve	-120,356,079.89		0.00	
Foreign Exchange & Other	-134,059,293.77		98,611,279.14	
Depreciation on Reserve	0.00		69,342,498.39	
Provision for Advances Written off	0.00		100,014,256.00	
		374,855,838.56		851,400,294.22
Operating Profit before working Capital Changes		2,938,536,814.25		2,877,560,922.50
(Increase)/Decrease in Sundry Debtors	-746,013,282.88		-59,560,503.60	
(Increase)/Decrease in Inventories	17,721,874.65		-120,536,813.05	
(Increase)/Decrease in Other Current Assets	76,396,078.91		35,609,463.02	
(Increase)/Decrease in Short Term Loans and Advances	239,691,929.50		0.00	
Increase/(Decrease) in Trade payables	304,582,915.98		241,101,990.25	
Increase/(Decrease) in Other Current Liabilities	3,135,496.80		-90,321,303.52	
Increase/(Decrease) in Short Term Provision	76,821,677.48		-46,791,336.67	
		-27,663,309.55		-40,498,503.57
Cash Generated from Operations		2,910,873,504.70		2,837,062,418.93
Income Tax and Other Taxes	763,860,180.80		532,172,362.77	
		763,860,180.80		532,172,362.77
Net Cash from Operating Activities		2,147,013,323.89		2,304,890,056.16
B. Cash Flow From Investing Activities				
Increase in Deferred Tax Liabilities	-10,124,498.64		173,406,481.83	
Increase in Tangible Assets	-1,484,208,642.85		-1,394,669,370.28	
Increase in Capital Work-In-Progress	128,973,930.06		199,880,921.65	
Increase in Non-current investment	-1,168,642.35		24,392,764.02	
(Increase)/Decrease in Current Investment	-7,079,781.46		-146,131,711.05	
Increase in Other Non current Asset	-1,761,928.42		-184,822,769.80	
(Increase)/Decrease in Loans & Advances	-116,590,430.72		-133,414,135.47	
Goodwill	0.00		71,004,548.46	
Provision for Advances Written off	0.00		-100,014,256.00	
		-1,491,959,994.38		-1,490,367,526.64
Net Cash from Investing Activities		655,053,329.51		814,522,529.52
C. Cash Flow From Financing Activities				
Bank Working Capital Loan	392,096,525.10		-1,178,280,982.67	
Increase/(Decrease) in Long Term Borrowing	-212,207,915.45		35,665,128.65	
Increase/(Decrease) in Long Term Provisions	-2,710,129.35		-1,273,600.00	
Increase/(Decrease) in Long Term Liabilities	972,851.00		-26,169.28	
Interest & Financial Expense	-206,990,467.71		-178,512,259.50	
Dividend Paid	-407,207,048.00		-308,675,822.00	
Tax on Dividend	-82,897,419.00		-51,573,708.00	
Minority Interest	-138,431,650.92		-89,262,186.41	
		-657,375,254.33		-1,771,939,599.21
Net Cash from Financing Activities		-657,375,254.33		-1,771,939,599.21
Net Increase in Cash & Cash equivalents		-2,321,924.82		-957,417,069.69
Cash & Cash equivalents at the beginning of period	372,743,664.01		1,330,160,733.70	
Cash & Cash equivalents at the end of period	370,421,739.19		372,743,664.01	
	-2,321,924.82		-957,417,069.69	

Notes :

- 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.
- The figures of previous year are regrouped/reclassified wherever considered necessary.


As per our report of even date attached

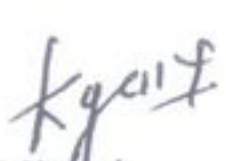
For Gandhi Rathi & Co.
Chartered Accountants

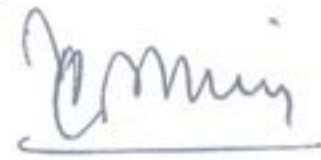
C.N.Rathi
Partner
M.No. 39895
Firm Reg.No. 103031W
Place:- Nagpur
Date:- May 16, 2016




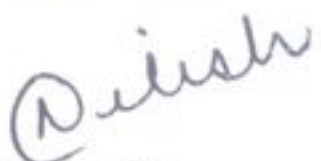
For and on behalf of the Board


 S.N. Nuwal
 Chairman & Executive Director


 K.C. Nuwal
 Vice Chairman & Executive Director


 Manish Nuwal
 Managing Director & Chief Executive Officer


 Khushboo Pasari
 Company Secretary


 Nilesh Panpaliya
 Chief Financial Officer

(7)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

ANNEXURE-1

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

(Annexed to and forming part of the Accounts for the year ended 31st March 2016)


I. BASIS OF PREPARATION OF FINANCIAL STATEMENTS :

- (i) These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of Companies Act, 1956 (Companies (Accounting Standards) Rules, 2006, as amended) and other relevant provisions of the Companies Act, 2013.
- (ii) All the assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle to be 12 months for the purpose of current- non-current classification of assets and liabilities.

II. PRINCIPLES OF CONSOLIDATION:

- (i) The financial statements of the Parent Company and its subsidiaries have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and the unrealized profits.
- (ii) The financial statements of the Parent Company and its subsidiaries have been consolidated using uniform accounting policies.
- (iii) The excess of the cost to the Parent Company of its investments in each of the subsidiaries over its share of equity in the respective subsidiary, on the acquisition date, is recognised in the financial statements as goodwill. Fluctuation to goodwill in respect of foreign subsidiary arising subsequent to acquisition, on translation at the year end rate, is included in the currency fluctuation reserve.

III. RECOGNITION OF INCOME AND EXPENDITURE :

- (i) Revenues/Incomes and Costs/Expenditure are generally accounted on accrual, as they are earned or incurred.
 - (ii) Sale of Goods is recognised on transfer of significant risks and rewards of ownership which is generally on the dispatch of goods.
 - (iii) Export Incentives under the "Duty Draw back Scheme" etc is accounted in the year of export.
- 

IV. FIXED ASSETS :

Tangible Assets

Tangible Assets are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses

Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Losses arising from the retirement of and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

V. METHOD OF DEPRECIATION AND AMORTISATION :

- (i) Depreciation on Factory Buildings, Plant and Machinery, Vehicle, Furniture and Equipment is provided on a Straight Line Method over the estimated useful life of assets.
- (ii) Effective 1st April 2014, the Company depreciates its fixed assets over the useful life in the manner prescribed in Schedule II of the Act, as against the earlier practice of depreciating at the rates prescribed in Schedule XIV of the Companies Act 1956.
- (iii) Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except in respect of the following assets, where useful life is different than those prescribed in Schedule II are used, which is based on independent technical evaluation.

Particulars	Depreciation
R.C.C. Roads	Over its useful life as technically assessed (30 years)
W.B.M Roads	Over its useful life as technically assessed (15 years)
Plant & Machinery:	
(a)BDS Machinery	Over its useful life as technically assessed (12 years)
(b)KP Machinery	Over its useful life as technically assessed (25 years)
(c)Other Machinery	Over its useful life as technically assessed (20 years)
Vehicle :	
Tankers & Vans	Over its useful life as technically assessed (10 years)
Pump Truck	Over its useful life as technically assessed (12 years)

- (iv) Depreciation on additions to assets or on sale/ discardment of assets, is calculated pro rata from the month of such addition or upto the month of such sale/ discardment, as the case may be.

VI. INVESTMENTS :

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments, such reduction being determined and made for each investment individually.



VII. VALUATION OF INVENTORIES :

- (i) The inventories resulting from intra-group transactions have been stated at cost after deducting unrealised profit on such transactions.
- (ii) Goods in transit are stated 'at cost'.
- (iii) Inventories are stated 'at cost or net realisable value', whichever is lower.
- (iv) Cost comprise of all costs incurred in bringing the inventories to their present location and condition. Cost formulae used are either 'average cost' or 'specific identification', as applicable. Due allowance is estimated and made for defective and obsolete items, wherever necessary, based on the past experience.

VIII. FOREIGN CURRENCY TRANSLATIONS :

For the purpose of consolidation, the amounts appearing in foreign currencies in the Financial Statements of the foreign subsidiaries are translated at the following rates of exchange:

- (a) Average rates for the incomes and expenditure.
- (b) The year-end rates for the assets and liabilities.

IX. FOREIGN CURRENCY TRANSACTIONS BY INDIAN COMPANIES :

- (i) All transactions in foreign currency, are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place.
- (ii) Monetary items in the form of Loans, Current Assets and Current Liabilities in foreign currency, outstanding at the close of the year, are translated in Indian Currency at the applicable rates of exchange prevailing on the date of the Balance Sheet. Resultant gain or loss is accounted during the year.
- (iii) Transactions covered by cross currency swap contracts to be settled on future dates are recognised at the rates of exchange of the underlying foreign currency prevailing on the date of the Balance Sheet. Effects arising out of swap contracts are accounted/adjusted on the date of settlement.

X. EMPLOYEE BENEFITS :

Defined Contribution Plans such as Provident Fund etc., are charged to the statement Profit & Loss Account as incurred. Defined benefit Plans - The present value of the obligation under such plan, is determined based on an actuarial valuation using the Projected Unit Credit Method, Actuarial gains and losses arising on such valuation are recognised immediately in the Profit & Loss Account. In case of funded defined benefit plans the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis. Other Long term Employee Benefits are recognised in the same manner as Defined Benefit Plans.

Termination benefits are recognised as and when incurred. However, the termination benefits which fall due more than twelve months after the Balance Sheet are discounted using the yield on Government Bonds."



XI. BORROWING COSTS:

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to revenue.

XII. TAXATION :

Income-tax expense comprises current tax and deferred tax charge or credit. Provision for current tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment year. The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets on account of other timing differences are recognised only to the extent there is a reasonable certainty of its realisation. At each Balance Sheet date, the carrying amount of deferred tax assets is reviewed to reassure realisation. Minimum Alternative Tax credit (MAT Credit) is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

XIII. IMPAIRMENT OF ASSETS:

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/ external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the statement of Profit and Loss Account in the year in which an asset is identified as impaired. An impairment loss recognised in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

XIV. GOVERNMENT GRANTS:

Grants received against specific fixed assets are adjusted to the cost of the assets and those in the nature of promoter's contribution are credited to Capital Reserve. Revenue Grants are recognised in the statement of Profit and Loss Account in accordance with the related scheme and in the period in which these are accrued.

XV. USE OF ESTIMATES :

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognised in the period in which the results are known/materialized.

XVI. LEASE:

As a lessee:

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line

basis over the period of the lease or other systematic basis more representative of the time pattern of the user's benefits.

As a lessor:

The Company has leased certain tangible assets and such leases where the Company has substantially retained all the risks and rewards of ownership are classified as operating leases. Lease income on such operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the lease term or other systematic basis which is representative of the time pattern in which benefit derived from the use of the leased asset is diminished. Initial direct costs are recognised as an expense in the Statement of Profit and Loss in the period in which they are incurred.

XVII. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets: Contingent Assets are neither recognised nor disclosed in the financial statements.

XVIII. MINORITY INTEREST:

Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.

XIX. INVESTMENT IN ASSOCIATES:

Investment in Associate Companies has been accounted under the equity method as per (AS 23) – "Accounting for Investments in Associates in Consolidates Financial Statements".

XX. ACCOUNTING FOR INVESTMENTS:

Investments other than in subsidiaries and associates have been accounted as per Accounting Standard (AS) 13 on "Accounting for Investments".

XXI. As per management representation we have consolidated un-audited results of Overseas Subsidiary Solar Overseas Mauritius Ltd. & its fellow subsidiaries valued at historical cost basis.



SOLAR INDUSTRIES INDIA LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH 2016

12

Particular	AS AT 31.03.2016	AS AT 31.03.2015
------------	---------------------	---------------------

**NOTE - 1
SHARE CAPITAL**

(a) Authorised Share Capital		
27000000 Equity Shares of Rs. 10/- each	<u>270000000.00</u>	<u>270000000.00</u>
Issued, Subscribed & Paid up		
18098011 Equity Shares of Rs. 10/- each	180980110.00	180980110.00
	<u>180980110.00</u>	<u>180980110.00</u>
774195 Shares were allotted during last 5 years at the premium of Rs. 920/- in year 2012-13.		
(b) Reconciliation Statement of Shares Outstanding		
Number of Shares at the beginning of the year	18098011.00	18098011.00
Add: Issued during the year	0.00	0.00
Number of Shares at the end of the year	18098011.00	18098011.00

NOTE - 2

RESERVES AND SURPLUS		
Capital Reserve		
Capital Reserve	157519421.25	7150510.00
Security Premium Account	1491292643.03	1491292643.03
ADD - Issue of Shares	0.00	0.00
	<u>1491292643.03</u>	<u>1491292643.03</u>
General Reserve		
Opening Balance	2825366404.20	2325366404.21
Add:- Transfer from Profit & Loss Account	750000000.00	500000000.00
Closing Balance	<u>3575366404.20</u>	<u>2825366404.21</u>
Profit & Loss Account	3517788819.42	3209644045.18
Foreign Exc Fluctuation Reserve	-247248940.89	44395441.28
Total	<u>8494718347.01</u>	<u>7577849043.70</u>



SOLAR INDUSTRIES INDIA LIMITED

13

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH, 2016

Particular	AS AT 31.03.2016	AS AT 31.03.2015
------------	---------------------	---------------------

NOTE - 3

LONG TERM BORROWINGS		
(a) SECURED LOANS		
1. Foreign Currency ECB Term Loan From Banks*	1340298759.80	1552908657.63
(b) UNSECURED LOANS		
1. Sales Tax Deferral Loan	6421303.00	6421303.00
2. Loan from Related Party (See Note No 40)	401982.37	0.00
	<u>1347122045.17</u>	<u>1559329960.63</u>
*Maturity Profile of Secured Term Loan are shown in Standalone Balance Sheets		

NOTE - 4

Other Long-term liabilities		
Unpaid dividends	1376578.00	403727.00
	<u>1376578.00</u>	<u>403727.00</u>

NOTE - 5

LONG TERM PROVISION		
Provisions For Employees Benefits	8360508.19	0.00
Other Provision (Interest)	386039.41	0.00
Provision for Sales Promotions	0.00	11456676.95
	<u>8746547.60</u>	<u>11456676.95</u>



SOLAR INDUSTRIES INDIA LIMITED

14

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH, 2016

Particular	AS AT 31.03.2016	AS AT 31.03.2015
------------	---------------------	---------------------

NOTE - 6

SHORT-TERM BORROWINGS		
SECURED LOANS		
CASH CREDIT		
Rupee Loan From Bank #	300312994.11	1088444522.96
Foreign Currency Loan from Bank #	1263564689.58	561617495.55
Total Secured Loans -	1563877683.69	1650062018.51
UNSECURED LOANS		
Buyers Credit		
Foreign Currency Loan From Banks	328883924.10	0.00
Sainik Finance & Industries Limited	16896925.00	0.00
Related Party (See Note No 40)	207918457.96	75418447.14
Total Unsecured Loans -	553699307.06	75418447.14
	2117576990.75	1725480465.65

Notes :

1) # Working Capital loans are secured by hypothecation of entire stocks , raw material , stock in process , finished goods , consumables, stores & spares , book debts , outstanding money receivables , entire current asset of company, claims & bills receivables & paripassu second charges on current & future fixed assets .

2) Solar Overseas Mauritius Ltd. has taken revolving loan facility from DBS Bank amounting USD 10 Mi & HDFC Hongkong amounting USD 3.10 Mi refered above is secured by fixed assets of Solar Industries India Ltd. & personal gurantee of Shri S.N. Nuwal

NOTE 7

TRADE PAYABLES		
Creditors for Goods	894680316.19	586101431.48
Micro, Small & Medium Enterprises	35065065.90	39965881.32
Related Party (See note No 40)	1161272.70	256426.01
	930906654.79	626323738.81



15

SOLAR INDUSTRIES INDIA LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH, 2016

Particular	AS AT 31.03.2016	AS AT 31.03.2015
* The details of amounts outstanding to Micro, Small & Medium Enterprises based on the available information with the company as under :-		
Principal amount due & Remaining Unpaid	-	
Interest due on above & the Unpaid Interest	-	
Interest Paid	-	
Payment made beyond the appointed date during the year	-	
Interest due & Payable for the period of delay	-	
Interest Accrued & remaining unpaid	-	
Amount of further interest remaining due & payable in Succeeding Years	-	

NOTE 8

OTHER CURRENT LIABILITIES		
Current Maturity of long term Debt	538755420.00	421888240.50
Other Payables *	282352225.25	501144351.92
Creditors for Fixed Assets	29091918.42	47636291.35
Advances received from Customers	202010520.48	136188825.60
Creditors for Transporter & Other	166167695.89	108384573.86
	1218377780.04	1215242283.23
* Other Payables includes Statutory dues & Expenses Payable.		

NOTE 9

SHORT TERM PROVISIONS		
Provision for employee benefits	64880896.02	51758949.59
Others #	91844872.42	28145141.37
	156725768.44	79904090.96
# The company had recognised liability on the basis of expenses incurred on substantial degree of estimation on sale of goods. Actual cash flow is expected in next Financial Year		



SOLAR INDUSTRIES INDIA LTD. (CONSOLIDATED)
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH, 2016

NOTE-10
SCHEDULE OF FIXED ASSETS

ASSETS	GROSS BLOCK AS ON 01.04.2015	ADDITION ON ACQUISITION OF SUBSIDIARIES	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR	GROSS BLOCK AS ON 31.03.2016	DEPRECIATION						NET BLOCK	
						UPTO 01.04.2015	ACCUMULATED DEPRECIATION ON ACQUISITION OF	DURING THE YEAR	DEDUCTIONS / ADJUSTMENTS DURING THE YEAR	FOREIGN EXCHANGE DIFFERENCE	UP TO 31.03.2016	AS ON 31.03.2016	AS ON 31.03.15
LAND	765750095.38	2905106.50	79344434.64	0.00	847999636.52	0.00	0.00	0.00	0.00	3030888.08	3030888.08	844968748.44	765750095.38
PLANT	146904721.00	0.00	16019740.00	0.00	162924461.00	0.00	0.00	0.00	0.00	0.00	0.00	162924461.00	146904721.00
CIVIL CONSTRUCTION	2503477194.91	9983033.35	560666080.59	0.00	3074126308.85	350154434.77	5297323.12	73685065.33	0.00	36678044.16	465814867.38	2608311441.47	21533270.14
OFFICE BUILDING	47383233.00	0.00	0.00	0.00	47383233.00	2647646.63	0.00	153099.83	0.00	0.00	2800746.46	44582486.54	44735637
PLANT & MACHINERY	3067704432.75	19195183.15	903320440.01	17443489.56	3972776566.35	598277665.28	15562205.24	192125873.61	1706960.70	97620963.66	901879747.09	3070896819.26	24694267747
CSR ASSETS	10027308.00	0.00	9481745.00	0.00	19509053.00	0.00	0.00	0.00	0.00	0.00	0.00	19509053.00	10027308.00
FURNITURE & FIXTURES	74384945.75	671351.25	17444812.83	0.00	92501109.83	26026610.57	625652.03	11042496.81	0.00	5327653.32	43022412.73	49478697.10	48358518
ELECTRIC INSTALLATION	18292061.69	567883.88	43154.76	0.00	18903100.33	4830549.50	539488.44	1253963.14	0.00	4061801.95	10685803.03	8217297.30	1346112.19
OFFICE EQUIPMENT	109669563.75	1909991.12	7310708.00	76440.00	118813822.87	67495185.27	1577000.60	11532820.88	72618.00	7458869.54	87991258.29	30822564.58	4217478.48
VEHICLES	394802660.88	19471735.20	50713059.27	11750830.18	453236625.17	241301525.74	11813557.54	38377327.10	9253402.83	7632260.80	289871268.35	163365356.82	15350155.14
PLANTATION	975554.00	0.00	623670.00	0.00	1599224.00	0.00	0.00	0.00	0.00	0.00	0.00	1599224.00	975554.00
TOTAL :	7139371771.11	54704284.45	1644967845.10	29270759.74	8809773140.92	1290733617.76	35415226.97	328170646.70	11032981.53	161810481.51	1805096991.41	7004676149.51	5848638153.35

Capital Work in Process

Particulars	31.03.2016	31.03.2015
Project Development Expenditure	5963828.48	272435718.10
Machinery under Installation	226455901.05	33769302.59
Furniture & Fixture under Installation	2206196.99	991364.05
Building Under Construction	25468972.42	25888278.89
Vehicle	644699.39	17139647.11
Free Hold Land	12588428.46	23302414.48
Cost of Materials at site	28109846.35	39672097.67
Factory Equipment	342530.54	488556.34
Pie-Operative Expenses	179755410.72	196822365.23
TOTAL	481535814.40	610509744.46



SOLAR INDUSTRIES INDIA LIMITED
 NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH, 2016

17

Particular	AS AT 31.03.2016	AS AT 31.03.2015
NOTE-11		
NON- CURRENT INVESTMENTS		
LONG-TERM INVETSMENTS		
(Unquoted equity instruments)-At Cost		
Equity share - 490000 Nos. @ of Rs 10 each held in SMS Bhatgaon Mines EXTN Pvt Ltd	4900000.00	4900000.00
Equity share - 490000 Nos. @ of Rs 10 each held in Solar Bhatgaon EXTN Mines Pvt Ltd	4900000.00	4900000.00
Equity share - 250000 Nos. @ of Rs 10 each held in Rainbow Production Ltd	0.00	2500000.00
Equity share - 110000 Nos. @ of Rs 10 each held in Ganga Care Hospital Ltd	1100000.00	1100000.00
Equity share - 66000 Nos. @ of AUD 6 each Australian Explosives Tech Gr PTY Ltd.	26143903.60	24664060.00
Equity share - 78 Nos. @ of USD 513.85 each SOLAR Mining Services Australia Pty LTD.	2655300.00	2505000.00
Equity share - 2 Nos. @ of Rs 62.50 each Solar Explochem Mauritius Ltd.	0.00	125.00
Equity share - 23500 Nos. @ of 1 MZN each Solar Indus trias Mocambique Limitada	41605.00	39250.00
Equity share - 6500 Nos. @ 10000 TSH each Solar Nitro Chemicals Limited	2007375.00	0.00
Equity share - 15200 Nos. @ 1 GHC Held in Solar Explochem Ghana Ltd.	510456.25	481562.50
	42258639.85	41089997.50
In Mutual Funds		
(Valued at Cost)		
Kotak Mutual Fund	36147662.00	36147662.00
	36147662.00	36147662.00
Investments in Government or trust securities		
(Valued at Cost)		
National Saving Certificates	40000.00	40000.00
	40000.00	40000.00
	78446301.85	77277659.50



18

Particular	AS AT 31 03 2016	AS AT 31 03 2015
------------	---------------------	---------------------

NOTE-12

LONG TERM LOANS AND ADVANCES		
Unsecured, considered good		
Capital Advances		
- Others	124906627.99	148599763.13
TOTAL	124906627.99	148599763.13
- Loans & Advances		
- To, Related Party (See note no. 40)	58292450.80	20130911.00
- To, Other	757246879.61	654198880.51
TOTAL	815539330.41	674329791.51
Security Deposit & Other Deposits		
- Others	43115777.31	44041750.36
TOTAL	983561735.71	866971305.00

NOTE-13

Other Non current Asset		
Pre-Operative Expenses	6234045.82	6186445.82
Bank Deposit above 12 Month Maturity	423400.00	2509761.05
Trade Receivable (Above 12 months)		
- Other	425642995.64	378873016.13
- Doubtful Debts	44878569.00	0.00
	470521564.64	378873016.13
Less: Provision for Doubtful Trade Receivables	87847859.04	0.00
	382673705.60	378873016.13
	389331151.42	387569223.00

NOTE-14

CURRENT INVESTMENTS		
In Mutual Funds		
Reliance Capital Asset Manangement Ltd.	231417160.64	260152693.30
Reliance Equity Saving Fund - Growth Option	46368467.61	
Reliance Liquid Fund	1799900.00	
HDFC Asset Management Company Ltd.	19206140.00	0.00
Reliance Regular Savings Fund - Debt Plan	0.00	33911211.51
	298791668.25	294063904.81
Investments in Equity Instruments-Quoted		
	4618945.00	2266926.98
	303410613.25	296330831.79



SOLAR INDUSTRIES INDIA LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH, 2016

19

Particular	AS AT 31.03.2016	AS AT 31.03.2015
NOTE-15		
INVENTORIES		
(Valued at weighted average cost basis)		
Raw Materials, Packing Materials	✓ 977506458.15	✓ 772392350.41
Consumables	✓ 122214474.69	✓ 86575408.48
Stock in Trade -(Traded Goods)	✓ 33353676.81	✓ 19343735.40
Semi Finished Goods	✓ 113446786.99	✓ 99640178.35
Finished Goods	✓ 373180562.00	✓ 651425867.94
Goods In Transit	✓ 11375435.04	✓ 19421727.73
	✓ <u>1631077393.68</u>	✓ <u>1648799268.31</u>

NOTE-16

TRADE RECEIVABLES		
(a) Over 6 Months		
Unsecured, Considered Good		
- Other	✓ 132984866.26	✓ 177353891.41
	132984866.26	177353891.41
Less: Provision for Doubtful Trade Receivables	✓ 14769433.81	✓ 58569837.34
	✓ 118215432.45	✓ 118784054.07
(b) Below 6 Months		
Secured, Considered Good		
- Other	✓ 31048045.31	✓ 49431628.65
Unsecured, Considered Good		
- Other	✓ 2509719805.82	✓ 1744754317.99
	✓ 2658983283.58	✓ 1912970000.71



SOLAR INDUSTRIES INDIA LIMITED
 NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH, 2016

20

Particular	AS AT	AS AT
	31.03.2016	31.03.2015
NOTE-17		
CASH AND CASH EQUIVALENTS		
Cash and Cash Equivalent		
Balances with Banks:		
In Current Accounts	241430699.29	132476778.88
Cash In hand	14471191.34	16286771.95
Other Bank Balances		
In Fixed Deposit (Below 12 Months)	114519848.57	223980113.18
	370421739.20	372743664.01

(i) FDR of Rs 82573169 /-held as margin money or security against the borrowing & other commitments of less than 12 months period.

NOTE-18

SHORT TERM LOANS AND ADVANCES		
Unsecured, considered good		
Loans & Advances to Employees	12665593.97	13376041.14
Goods Suppliers & Service Providers	122953177.32	143705435.64
Other Advances		
Advances recoverable in Cash or in Kind for Value to be received		
Related parties (see note no. 40)	24700.00	27691935.63
Other Advances	315850925.54	506412913.93
	451494396.83	691186326.33

NOTE-19

OTHER CURRENT ASSETS		
Balance with Revenue Authorities	1063985355.16	1134099891.83
Other Receivables	169501.95	20674666.16
Prepaid Expenses	38348433.87	17339143.50
Interest Accrued but not due	0.00	6785668.41
	1102503290.98	1178899369.89



(21)

Particular	AS AT 31.03.2016	AS AT 31.03.2015
------------	---------------------	---------------------

NOTE-20

Revenue from Operations :		
Sale of products	16582337960.17	14628563122.17
Other Operating Revenue	53182431.85	0.00
	<u>16635520392.02</u>	<u>14628563122.17</u>
Less: Excise Duty / Service Tax	1253904940.12	1109618014.87
Total	15381615451.90	13518945107.30

NOTE-21

Other Income		
Interest Income		
Interest From Bank	7867064.25	8459824.81
Interest From Bond	3904524.31	2912059.56
Interest from Other	30318578.37	42745342.52
Interest from Subsidiary	1225771.25	0.00
Interest from Income Tax Refund	34272362.00	0.00
Dividend Income		
From Other	57300.50	5607747.61
Other Miscellaneous Income	17570107.87	8498220.00
Income from Short Term Gain / Loss on Shares & Bonds	28381381.00	10824047.17
	<u>123597089.54</u>	<u>79047241.67</u>

NOTE- 22

Cost of Materials Consumed

Raw Material consumed	8070593710.55	7421360231.41
Packing Material consumed	472806662.92	420773601.29
Cost of Materials Consumed	8543400373.47	7842133832.70



SOLAR INDUSTRIES INDIA LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH, 2016

22

SCHEDULES	AS AT 31.03.2016	AS AT 31.03.2015
-----------	---------------------	---------------------

NOTE-23

Changes in inventory of finished goods and work in progress		
Increase/(Decrease) in Stocks	51243557.90	-339685444.19

NOTE-24

Employee Benefits Expense		
Salaries, Wages and Bonus	818515197.56	736054920.14
Contributions to Provident and Other Funds	46091574.25	44115785.51
Staff Welfare Expenses	16069226.19	17804521.62
TOTAL :	880675998.00	797975227.28

NOTE-25

Finance Costs		
Interest Cost	159748232.22	144446931.02
Other Borrowing Cost	26735722.71	34065328.48
Interest Charges - Related party	5802225.87	0.00
Interest on Term Loans	6977937.27	0.00
Interest to Others	7726349.64	0.00
TOTAL :	206990467.71	178512259.50



SOLAR INDUSTRIES INDIA LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH, 2016

23

SCHEDULES	AS AT 31.03.2016	AS AT 31.03.2015
-----------	---------------------	---------------------

NOTE-26

Other Expenses		
Consultancy Charges	67368496.04	118033212.73
Consumption of Consumables	81006412.66	103462926.74
Discounts and Settlements	103116068.04	77269422.14
Export Expenses	280774417.35	264696309.70
Power & Fuel	184020585.87	168128988.31
Pump Truck Expenses	58694906.35	51171855.22
Remuneration to Directors	76975000.00	71640000.00
Repairs & Maintenance - P & M, Electricals	62881146.71	74543320.48
Repairs & Maintenance - Vehicles & Others	55078765.49	43478357.55
Sales Promotion Expenses	28017629.21	27630806.82
Sales Tax (Net) *	797623945.36	678895507.44
Security Service Charges	58570275.07	56859500.17
Transportation Charges	253339701.17	258038909.42
Travelling Charges	79059536.77	69295787.42
Provision for Bad & Doubtful Debt	55926799.78	12312035.80
Other Expenses	542402285.51	418237759.11
GRAND TOTAL :	2784855971.38	2493694699.06

NOTE-27

Exceptional Items		
Advances Written off	0.00	100014256.00
	0.00	100014256.00



SOLAR INDUSTRIES INDIA LIMITED

24

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH, 2016

SCHEDULES	AS AT 31.03.2016	AS AT 31.03.2015
NOTE - 26		
OTHER EXPENSES		
Accounting Charges	✓ 1835351.43	✓ 1451727.70
Administrative Exp	✓ 4055376.52	✓ 5339687.14
Advertisement Expenses	✓ 6938446.79	✓ 3167000.48
Audit Fees	✓ 7653656.98	✓ 6719409.45
Community Liasioning & Relationship	✓ 1061380.00	✓ 5733902.76
CSR Expenses	✓ 23220501.18	✓ 17750000.00
Directors Allowance	✓ 5556904.91	✓ 6888512.39
Director Sitting Fees	✓ 1237099.42	✓ 696852.00
Directors Expenses	✓ 629288.94	✓ 312305.50
Donation	✓ 26309065.25	✓ 17542145.23
Entertainment Expenses	✓ 654566.19	✓ 1882777.23
Excise Duty on Cl. St. Incr/Decr FG	✓ 2797622.00	✓ 7897920.00
Factory Expenses	✓ 21002080.15	✓ 21358345.07
Gain on sale of Shares	0.00	✓ -22614351.57
General Administration Expenses	✓ 2094283.29	✓ 5472796.01
Guest House Expenses	✓ 6199439.46	✓ 6922405.02
Handling Charges	✓ 3264167.15	✓ 6397431.64
Immigration Expenses	✓ 1676082.01	✓ 1488580.03
Income from Foreign Exchange rate fluctuation	✓ 80489598.55	✓ -15393628.81
Information & technology Expenses	✓ 9996967.98	✓ 9024878.08
Internal Audit Fees	✓ 4355400.00	✓ 4612000.00
Insurance Charges	✓ 7630590.34	✓ 29145812.85
Legal Expenses	✓ 9912549.40	✓ 4685898.27
Bank Charges	✓ 35435654.23	✓ 28721638.95
Conveyance & Hire Expenses	✓ 41844593.24	✓ 45465428.07
Loss from Exchange Rate Fluctuation	✓ -26003191.53	✓ -24189076.41
Sales / Agency Commission	✓ 30437926.73	✓ 68728730.41
Investment Written Off	✓ 2500000.00	0.00
Local Body Tax	✓ 9691.98	✓ 14891.00
Loss Of Asset Due To Impairment	0.00	✓ 1639171.25
Loss on sale of Shares	✓ -888741.70	✓ 2372884.26



SOLAR INDUSTRIES INDIA LIMITED

NOTES ON CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 ST MARCH, 2016

SCHEDULES	AS AT 31.03.2016	AS AT 31.03.2015
Loss On Commodity Contract	3150166.16	2190348.34
Loss on Sale of Assets	-1214927.64	-87976.69
Magazine Exp-Calabar	1786642.44	1219982.17
Management Expenses	35004394.87	-20910.34
Medical Expenses	0.00	-171.21
Mines, Permit & Related Expenses	1980602.15	0.00
Misc. Expenses	1786564.73	810949.32
Misc. Sales Expenses	1370695.32	21315890.41
Office Expenses	11556829.88	12493364.39
Outward Delivery & Handling Expenses	0.00	8174374.55
Postage Expenses	2949312.23	3226103.59
Pre-Operational Expenses (Amortised)	38248570.87	2469973.00
Printing & Stationery	12867577.07	11242069.60
Public Relation expenses	4152298.73	8021016.94
Rent , Rates & Taxes	49267874.96	58048442.94
Testing Fees	12457925.81	0.00
Registration & License	7183454.35	0.00
Repairs & Maintenance - Civil	15881572.13	21152880.35
Telephone Expenses	10158717.82	10169818.18
Training & Seminar Expenses	3722347.07	1142381.45
Lease Charges	21980.00	0.00
Motor Vehicle Exp	11314286.61	0.00
Sundry balances written off	804208.68	0.00
Chamber of Commerce & Meeting Exp	240370.87	0.00
Product Handling Explosives	-49507.73	0.00
Seismic Direct Expenses	196656.59	0.00
Subscription	810019.78	0.00
Withholding Tax	4847300.87	7433148.16
	542402285.51	418237759.11



SOLAR INDUSTRIES INDIA LIMIED
CONSOLIDATED NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2016

28. Basis of preparation of Financials Statements

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in India for the year ended 31ST March 2016.

29. Description of Business

Solar Industries India Limited Ltd., an explosives manufacturing company together with its subsidiaries, is engaged in manufacturing in various explosives products such as Slurry & emulsion base explosives, bulk explosives, detonators, detonating fuse, PETN and accessories required for the above product & supply of continuous emulsion plant for manufacturing of package explosives.

30. Financial & Derivative Instrument are given in Standalone.

31. Effects of Consolidation

As a result of consolidation, the following are the eliminations as a result of intra group transactions in the year ended 31st March, 2016

(Rs in Lacs)

Name of the Company	Sale of Goods	Purchase of Material	Operating Income	Interest received	Interest Paid	Service Provided	Service Received
Solar Industries India Limited	8879.38	6510.85	45.11	329.62		24.37	
Economic Explosives Ltd.	7356.29	4863.23	21.49		41.52		
Solar Mines & Minerals Ltd					7.18		
Nigachem Nigeria Ltd.		1045.25					24.37
Solar Explochem Zambia Ltd.		1588.53					
Solar Patlayici Mad. San. Tic. A.S.		2011.66					
Blastec India Pvt Ltd		282.75		4.01	146.88		
Emul Tek Pvt Ltd					5.79		
Solar Overseas Mauritius Ltd					132.01		
Solar Overseas Singapore Pte Ltd					0.25		

32. During the year company has purchased shares of its subsidiary M/s. Emul Tek Pvt Ltd at value of Rs.79.64 Lacs, Blastec (India) Pvt Ltd of Rs.49.88 Lacs and M/s. Solar Defence Ltd at value of Rs.5 Lacs. Solar Defence Systems Ltd company formed in March-16 but no share capital was introduced so no effect given in consolidation.

33. The Board of Directors of the Company in previous years decided to write off interest income from companies related to Bhatgaon Coal Blocks. An amount aggregating to



Rs.2000.29 Lacs was provided in earlier years against the interest income which is written back in current year. The company has written off interest income of Rs.3,000.42 Lacs. The effect of these amounts was disclosed as Exceptional Items. The Board of Directors decided not to charge the interest on outstanding loans.

34. During the year our overseas subsidiary has made investment in Solar Mining Services Pty Ltd of \$18.13 Lacs.

35. Earnings per share

Basic earning per share has been reported as per Accounting Standards-20 relating to "Earning per share" which have been computed by dividing net profit after tax by the weighted average No of shares outstanding for the period.

Particulars	(Rs. in Lacs)	
	31.03.2016	31.03.2015
Net Profit for the year attributable to equity shareholders (Rupees in lacs)	16613.89	14740.69
Weighted Average No of Shares (In Lacs)	180.98	180.98
Earning per Share (Rupees)	91.80	81.45

36. Contingent Liabilities

		(Rs. In Lacs)	
		FY 2015-16	FY 2014-15
01	In respect of counter guarantees given to Banks.	6139.90	10512.61
02	In respect of Excise matters in dispute / under Appeals	623.91	706.20
03	In respect of Sales Tax matters (Deferment)	947.01	947.01
04	In respect of Income Tax matters in dispute / under Appeals	584.83	438.87
05	In respect of Sales Tax matters in dispute / under Appeals	844.09	599.05

37. (i) The previous year's figures have been regrouped / reclassified wherever necessary, to correspond with the current year's classification/disclosure.

(ii) Uniform Accounting Policies

The consolidated financial statements have been prepared on the basis of the accounting policies and practice adopted by the individual entities, as indicated under financial statements of respective companies.

38. (i) Expenditure related to Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof : of Rs.232.20 Lacs

(ii) As on 31.03.16 company has given Financial Guarantee of \$33.75 million for its wholly owned overseas subsidiary.

39. As Per Accounting Standard (AS) 17 on "Segment Reporting", we are having only one segment hence segment reporting not applicable.

40. Related party disclosures required as per AS-18 on 'Related Parties disclosures' issued by the Institute of Chartered Accountants of India, are below for the year ended on 31.03.2016.

- 1. **Subsidiaries** : a) Economic Explosives Ltd.
b) Solar Mines & Minerals Ltd.
c) Solar Mining Resources Ltd.
d) Emul Tek Pvt Ltd.
e) Blastec (India) Pvt Ltd.
f) Solar Defence Ltd.
g) Solar Defence Systems Ltd.

- 2. **Overseas Subsidiaries** : a) Solar Overseas Mauritius Ltd.

- 3. **Fellow Overseas Subsidiaries** : a) Solar Overseas Netherlands Cooperative U.A.
b) Solar Overseas Netherlands B.V.
c) Solar Industries Mozambique LDA
d) PATSAN Patlayici Maddeler Sanayi Ve Ticaret
e) Solar Overseas Singapore Pte Ltd
f) Nigachem Nigeria Ltd
g) Solar Explochem Zambia Ltd
h) Solar Mining Services Australia Pty Ltd
i) Solar Nitrochemicals Ltd
j) Solar Explochem (Ghana) Ltd
k) P.T. Solar Mining Services
l) Solar Mining Services Pty Ltd.
m) Solar Industries Africa Ltd
n) Solar Patlayici Maddeler Sanayi Ve Ticaret Anonim Sirketi

- 4. **Other** : a) Solar Synthetics Pvt. Ltd.
b) Mahakal Infrastructures Pvt. Ltd.
c) Mahakal Project Pvt. Ltd.
d) Nagpur Infrastructure Pvt. Ltd.
e) Solar Initiating Systems Ltd.
f) Solar Processors Ltd.
g) Commercial Sales Corporation
h) Gulmohar Developers & Constructions Pvt Ltd
i) Sun Developers & Constructions Pvt Ltd
j) Sunbeam Developers & Constructions Pvt Ltd.
k) Sundrop Realtors Pvt Ltd
l) Sunland Infracon Pvt Ltd
m) Sunlight Infracon Pvt Ltd

- 5. **Associates** : a) Solar Bhatgaon Extension Mines Pvt. Ltd.
b) SMS Bhatgaon Mines Extension Pvt. Ltd.



Australian Explosive Technologies Group Pty Ltd

- Key Management Personnel** : a) Shri. S. N. Nuwal
 b) Shri K. C. Nuwal
 c) Shri Manish Nuwal
 d) Shri A.K. Jain
 e) Shri R. D. Vakil
 f) Shri Nilesh Panpaliya
 g) Mrs. Khushboo Pasari

(Rs.in Lacs)

NATURE OF TRANSACTIONS	SUBSIDIARY		ASSOCIATES / RELATED CONCERN		KEY MANAGEMENT PERSONNEL	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Loan Recd O/S	-	-	2083.20	754.18	-	-
Loan Given O/S	0.25	75.10	582.92	403.13	-	-
Balance O/S	-	-	11.61	2.56	-	6.23

41. The Audited / Un audited financial statement of foreign subsidiaries/associates have been prepared in accordance with the Generally Accepted Accounting Principle of its Country of Incorporation or International Financial Reporting Standards. The difference in accounting policies of the Company and its subsidiaries are not material.

For GANDHI RATHI & CO
 CHARTERED ACCOUNTANTS



C.N.RATHI
 (Partner)
 M. No.39895
 Firm Reg.No.103031W

For and on behalf of the Board


 S.N.NUWAL
 Chairman &
 Executive Director


 K.C.NUWAL
 Vice Chairman &
 Executive Director


 MANISH NUWAL
 Managing Director &
 Chief Executive Officer


 KHUSHBOO PASARI
 Company Secretary


 NILESH PANPALIYA
 Chief Financial Officer

Place : Nagpur
 Date: May 16, 2016

