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**SOLAR**  
POWER FREE ANYWHERE

*We help to save precious energy...*

Annual Report - **2017-18**

 **SOLEX**  
SOLEX ENERGY LTD





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## **BOARD OF DIRECTORS**

Kalpeshkumar Ramanbhai Patel	Chairman cum Managing Director
Ridhi Kalpeshkumar Patel	Non executive Director
Rajeshbhai Tulsibhai Patel	Non executive (Independent director)
Kamlesh Narendrabhai Patel	Non executive (Independent director)
Mahendrabhai Lallubhai Machi	Non executive (Independent director)

## **COMPANY SECRETARY & CHIEF FINANCIAL OFFICER**

Jankiben Jaydeepsinh Sisodiya	Company Secretary & Compliance Officer
Vaibhavkumar Nagindas Shah	Chief Financial Officer

## **AUDITORS**

Praful N. Vekariya	Secretarial Auditor
Mistry & Shah	Statutory Auditors
Patel & Mehta	

## **BANKER & RTA**

### **Bankers**

Bank of Baroda

### **Registrar and Share Transfer Agent**

Skyline Financial Private Limited  
D153A, 1st Floor, Okhla Industrial Area  
Phase 1, New Delhi – 110 020.

## CHAIRMAN'S SPEECH



**Dear Shareholders,**

Greeting of the Day!

At the outset, I on behalf of entire Solex Family take this opportunity to thank all of you sparing your valuable time for this occasion. Further, it gives me immense pleasure to present the 4th Annual Report of Solex Energy Limited.

In last year 2017-18 Company has so many prestigious events done, wherein our Company converted in to Limited Company from Private Limited Company and here I want to express my feelings that till 2013 your Company was only going on proprietor basis and then after in 2014 converted into Private Limited Company and also got it listed also on NSE Emerge platform. The listing has been very encouraging and we got huge response to our IPO and it was oversubscribed by around 19 times so there is a drastically growth. We once again thank all the subscribers and shareholders for this overwhelming success.

As all of you know that our country is going through transitional phase wherein so many transformational changes like demonetization, implementation of GST and other reforms have been undertaken by the Government in sequential manner. As a result, some aftershocks have been felt and the same time so many disruptive technologies have also emerged accordingly enterprises are trying to adjust with the same and many of them are struggling also. We are pleased to inform you that Company has been able to successfully face the challenges appropriately and register respectable growth.

At this point in time, I have the pleasure and privilege to share with you the highlights of the year's performance and Outlook for the next Year as mentioned below:

- Our total revenue for the year 2017-18 was ₹ 10,140.68 lacs as compared to ₹ 3,449.60 lacs in the previous year i.e 2016-17 which represents the growth of 193.96% in the Financials.
- Our Profit before tax was ₹ 438.11 lacs as compared to ₹ 136.32 lacs in the previous year represented the growth of 221.38 % and altogether the profit after tax was ₹ 315.84 lacs as compared to ₹ 91.13 lacs in the previous year represented the growth of 246.15%.

These growths have been achieved mainly due to impressive growth in turnover, better cost control.

As they say, growth / success in isolation is fluke, therefore above said numbers are satisfactory for the financial year in question at the same time it gives bigger responsibility to perform equally good in the forthcoming financial years also. And we wish to ensure you that the team Solex is ready to undertake the challenge and we expect to produce similarly impressive results in the coming years also.

Finally I am thankful to all our Stakeholders, our Bankers, our Investors, our Vendors and most importantly our customers for their trust and faith. I must acknowledge huge contribution from entire team of Solex Energy Limited who push its boundaries, rise above challenges and leave no stone unturned to achieve consumer satisfaction.

With Warm Regards,

**Kalpeshkumar Ramanbhai Patel**  
Chairman cum Managing Director

## NOTICE

Notice is hereby given that the 4<sup>th</sup> Annual General Meeting of Solex Energy Limited will be held on Tuesday, 17<sup>th</sup> July, 2018 at 2.30 p.m. at the Registered Office of the Company situated at Plot No.131/A, Phase I, Nr. Krimy Industries, G.I.D.C, Vithal Udyognagar, Anand 388121 for following businesses:

### ORDINARY BUSINESS

1. To receive, consider and adopt the audited balance sheet as at 31<sup>st</sup> March, 2018 and the statement of profit and loss and cash flow statement for the year ended on that dates together with the Reports of the Auditors and the Board thereon.
2. To declare Dividend on equity shares of the Company for the financial year ended March 31, 2018.
3. To appoint a director in place of Miss Ridhi Kalpeshkumar Patel who retire by rotation and being eligible, offers herself for re-appointment.
4. To appoint Statutory Auditors and fix their remuneration in consultation with the Board and in this regard, to pass the following resolution as an Ordinary Resolution:
  - (i) M/s. G. S. Mathur & Co., Chartered Accountants, Ahmedabad (FRN No.008744N) be and are hereby appointed as a statutory auditors of the Company in accordance with provisions of section 139,142 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory enactment or modification thereof);
  - (ii) M/s. G. S. Mathur & Co., Chartered Accountants, Ahmedabad (FRN No.008744N) shall hold office for a period of one year from the conclusion of 4<sup>th</sup> Annual General Meeting to the conclusion of 5<sup>th</sup> Annual General Meeting of the Company and board of directors is hereby authorized to discuss and decide the remuneration payable to M/s. G. S. Mathur & Co., Chartered Accountants, Ahmedabad (FRN No.008744N) in consultation with them;
  - (iii) The directors of the Company are hereby authorized to do all acts, deeds and things and to take all necessary steps and give such directions as may be necessary to give effect to the above resolution.

### SPECIAL BUSINESS

#### 5. Change in terms of appointment of Mr. Kalpeshkumar Ramanbhai Patel

To consider and if thought fit, to pass with or without modification(s), following resolution as special resolution:

**“RESOLVED THAT** pursuant to 196,197,198,203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), terms of appointment of Mr. Kalpeshkumar Ramanbhai Patel as Chairman cum Managing Director approved by the members on 24.10.2017 in Extra Ordinary general meeting be and is hereby altered substitute his appointment shall be liable to retire by rotation in place of not liable to retire by rotation and keeping all other terms and conditions unchanged.”

**“RESOLVED FURTHER THAT** the Board of Directors of Company be and is hereby authorised to alter his agreement of appointment to giving effect to the above resolution.”

#### 6. Appointment of Mrs. Dharaben Dharmeshkumar Patel (DIN: 07927111) as non executive director:

To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to Sections 152, 160 and other applicable provisions of the Companies Act, 2013, the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), relevant applicable regulation(s) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Mrs. Dharaben Dharmeshkumar Patel (DIN 07927111) who is appointed as an non executive Director and in respect of whom a notice has been received proposing her candidature as a Director of the Company, be and is hereby appointed as a non executive director of the Company liable to retire by rotation.”

**7. Appointment of Mr. Vijaykumar Savjibhai Virpara as an Independent Director:**

**“RESOLVED THAT** pursuant to provision of Section 149,152 read with Schedule IV and all other applicable provision of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force, Mr. Vijaykumar Savjibhai Virpara and in respect of whom the Company has received notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of an Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a period of 5 (five) consecutive years.

**Notes:**

- A. The relative Explanatory statements pursuant to Section 102 of the Companies Act, 2013, in respect of the business under Item Nos. 4 to 5 of the accompanying notice are annexed hereto.
- B. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE ON HIS BEHALF AND THE PROXY NEED NOT BE A MEMBER.** A person can act as proxy on behalf of Members not exceeding Fifty (50) and holding in aggregate not more than 10% of the total share capital of the Company. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other Member.
- C. **AN INSTRUMENT OF PROXY TO BE EFFECTIVE, MUST BE LODGED AT THE REGISTERED OFFICE OF THE Company NOT LESS THAN 48 HOURS BEFORE THE TIME OF THE MEETING. THE BLANK PROXY FORM IS ANNEXED HERETO.**
- D. Corporate/Society Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send a certified copy of the Board Resolution/Authority letters together with specimen signature of their representative(s), who are authorized to attend and vote on their behalf at the Meeting.
- E. Members, Proxies and Authorized Representatives are requested to bring to the Meeting, the attendance slips enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID/Folio No.
- F. In case of joint holders attending the meeting, only that joint-holder who is highest in the order of names shall be entitled to vote.
- G. Members desirous of any relevant information or clarifications on accounts at the Annual General Meeting are requested to write to the Company at least ten days before the date of the Annual General Meeting so as to enable the Management to keep the information ready at the Meeting.
- H. The Register of Members and Share Transfer Book of the Company shall remain closed from **Thursday, July 12, 2018 to Tuesday, July 17, 2018** (both days inclusive).
- I. The Dividend on equity shares, as recommended by the Board of Directors, if declared at the Annual General Meeting, will be payable to those Members, whose names appear in the Register of Members of the Company on **July 12, 2018**, to their registered addresses and the respective Beneficial Owners as per the list provided by the National Securities Depository Ltd. and the Central Depository Services (India) Ltd. after the close of business hours on that date.
- J. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in electronic form for any change in bank particulars or bank mandates. Such changes are to be advised only to the Depository Participants of the Members.
- K. Members are requested:-
  - (i) to bring their copies of Annual Report, Notice and Attendance Slip duly filled in at the time of the Meeting.
  - (ii) to quote their Folio Nos./ DP ID Nos. in all correspondence.

- L. Non-resident members are requested to inform their Depository Participants/ Skyline Financial Private Limited., immediately of-
- (i) change in their residential status to India for permanent settlement;
  - (ii) particulars of their bank account(s) maintained in India with complete name, branch, account type account number and address of bank, with Pin Code Number.
- M. Members who have not registered their e-mail addresses so far are requested to register the same with the Company or Skyline Financial Private Limited for receiving all communication electronically from the Company. (Please send to [cs@solex.co.in](mailto:cs@solex.co.in) updated mail ID with full details of member including Folio number).
- N. Electronic copy of the Annual Report 2017-18 is being sent to all the Members who have registered their e-mail ids with the **Company / Depository** Participants except to those who have specifically requested hard copy of the same. For the Members who haven't registered their e-mail ids, physical copy of the Annual Report 2017-18 is being sent in permitted mode.

The 4th Annual Report for FY 2017-18 of the Company is also available on the Company's website: [www.solex.in/Investors/Annual Reports](http://www.solex.in/Investors/Annual Reports) and on the NSE website: [www.nseindia.com/emerge](http://www.nseindia.com/emerge).

- O. The shareholders are hereby informed that all the correspondence in connection with the shares is addressed to the Registrar & Share Transfer Agent M/s Skyline Financial Services Private Limited, D-153A, 1st Floor, Okhla Industrial Area Phase-I, New Delhi - 110020.
- P. Electronic copy of the annual report of Annual General Meeting of the Company inter alia indicating the process and manner of E-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 4<sup>th</sup> Annual General Meeting of the Company inter alia indicating the process and manner of E-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
- Q. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company between 2.00 p.m to 5.00 p.m. on all working days (except Sundays and Public Holidays) up to the date of the 4th Annual General Meeting of the Company.
- R. Pursuant to Section 108 of Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI LODR, 2015, the Company is pleased to provide the facility to members to exercise their right to vote on the resolutions proposed to be passed in the AGM by electronic means. The members whose names appear in the Register of Members/ List of Beneficial owners as on **Thursday 12<sup>th</sup> July, 2018**, being the cut-off date, is entitled to vote on the Resolutions set forth in this Notice. Members may cast their votes on electronic voting systems from any place other than the venue of the meeting (remote e-voting). The remote e-voting will commence at 10:00 a.m. on Saturday, **14<sup>th</sup> July, 2018** and will end at 5:00 p.m. on Monday, **16<sup>th</sup> July, 2018**. In addition, the facility of voting through electronic voting system shall also be made available at the AGM and the members attending the AGM who have not cast their vote by remote e-voting shall be eligible to vote at the AGM. The Members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter.
- R. E-voting - The instructions for shareholders voting electronically are as under:**
- (i) The voting period begins on **14<sup>th</sup> July, 2018**, 10:00 a.m. and ends on **16<sup>th</sup> July, 2018**, 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **12<sup>th</sup> July, 2018**, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.

#### **How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:



**Step 1 :** Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

**Step 2 :** Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 are mentioned below:

**How to Log-into NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :
5. Your password details are given below:
  - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need enter the ‘initial password’ and the system will force you to change your password.
  - c) How to retrieve your ‘initial password’?

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****

- (i) If your email ID is registered in your demat account or with the Company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
  - (ii) If your email ID is not registered, your ‘initial password’ is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
  - a) Click on **“Forgot User Details/Password?”**(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - b) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

**Details on Step 2 are given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of Company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for Shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [dgbhimani@yahoo.co.in](mailto:dgbhimani@yahoo.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the **“Forgot User Details/ Password?”** or **“Physical User Reset Password?”** option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

**Solex Energy Limited**

Sd/-

Date : 09.06.2018  
Place : Vallabh Vidyanagar

**Mrs. Jankiben Jaydeepsinh Sisodiya**  
Company Secretary

## Explanatory Statement under Section 102 of the Companies Act, 2013.

### Item No. 5

At the Extra Ordinary General Meeting held on 24<sup>th</sup> October 2017, the members of the Company has approved the appointment of Mr. Kalpeshkumar Ramanbhai Patel as Chairman Cum Managing Director of the Company for a period of 5 years with effect from 14.10.2017 with such terms and conditions as per companies act 2013 and other provisions whichever is applicable. In that terms there was one term that he is not liable to retire by rotation but now here proposed to change in terms of appointment for retire by rotation in place of not liable to retire by rotation.

None of the Directors or Key Managerial Personnel and their relatives, except Mr. Kalpeshkumar Ramanbhai Patel and Ridhi Kalpeshkumar Patel, are concerned or interested, either financially or otherwise, in this Resolution. The Board recommends the Special Resolution set out at Item No. 5 for approval of the Members.

### Item No. 6

As per section 160 Company has received a notice from memebbers proposing appointment of Mrs. Dharaben Dharmeshkumar Patel as a non executive director of the Company whose office shall be liable to retirement of Director by rotation.

None of the Directors or Key Managerial Personnel and their relatives, are concerned or interested, either financially or otherwise, in this Resolution. The Board recommends the Ordinary Resolution set out at Item No. 6 for approval of the Members.

### Item No. 7

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Vijaykumar Savjibhai Virpara for the office of Independent Director in terms of Section 149 of the Act to act as Independent Director. The Company has received a declaration from Mr. Vijaykumar Savjibhai Virpara that he meets with the criteria of Independence as prescribed under section (6) of Section 149 of the Act.

Mr. Vijaykumar Savjibhai Virpara is Independent Director of the Company. He holds a Bachelor degree in Engineering. He has a vide experience as a executive engineer in government bodies.

None of the Directors or Key Managerial Personnel and their relatives, are concerned or interested, either financially or otherwise, in this Resolution. The Board recommends the Ordinary Resolution set out at Item No. 11 for approval of the Members.

**Details of Directors seeking appointment and re-appointment at the forthcoming Annual General Meeting:-****Ms. Ridhi Kalpeshkumar Patel**

<b>Name of Director</b>	Ridhi Kalpeshkumar Patel
<b>Date of Birth</b>	10/05/1998
<b>Date of appointment</b>	14/10/2017
<b>No. equity share held in the Company</b>	Nil
<b>Disclosure of relationships between directors inter se</b>	Daughter of Chairman cum Managing Director of the Company
<b>Qualification</b>	H.S.C, pursuing in graduation degree
<b>List of outside Directorship held in public Company</b>	Nil
<b>Chairman/Member of the Committee of the Board of directors of the Company</b>	Nil
<b>Chairman/Member of the Committee of the Board of directors of the Company</b>	Nil

**Ms. Dharaben Dharmeshkumar Patel**

<b>Name of Director</b>	Dharaben Dharmeshkumar Patel
<b>Date of Birth</b>	03/09/1987
<b>Date of appointment</b>	17/07/2018
<b>No. Equity Share held in the Company</b>	Nil
<b>Disclosure of relationships between directors inter se</b>	Nil
<b>Qualification</b>	Diploma in civil engineering
<b>List of outside Directorship held in public Company</b>	Nil
<b>Chairman/Member of the Committee of the Board of directors of the Company</b>	Nil
<b>Chairman/Member of the Committee of the Board of directors of the Company</b>	Nil

**Mr. Vijaykumar Savjibhai Virpara**

<b>Name of Director</b>	Vijaykumar Savjibhai Virpara
<b>Date of Birth</b>	03/09/1957
<b>Date of appointment</b>	17/07/2018
<b>No. Equity Share held in the Company</b>	Nil
<b>Disclosure of relationships between directors inter se</b>	Nil
<b>Qualification</b>	Bachelor of Engineering
<b>List of outside Directorship held in public Company</b>	Nil
<b>Chairman/Member of the Committee of the Board of directors of the Company</b>	Nil
<b>Chairman/Member of the Committee of the Board of directors of the Company</b>	Nil

## BOARD'S REPORT

To,  
The Members of  
SOLEX ENERGY LIMITED.

The Directors take pleasure in presenting the 4<sup>th</sup> Annual Report together with the audited financial statements for the year ended on 31<sup>st</sup> March, 2018. The Management Discussion and Analysis has also been incorporated in this report.

### ❖ FINANCIAL RESULTS

The Summary of the financial performance of the Company for the year ended 31.03.2018 compared to the previous year is as below:

(Amount in Rs.)

Particulars	2017-18	2016-17
Total Revenue	1,01,40,68,467	34,49,59,538
Profit before depreciation and tax	5,03,56,726	1,76,89,735
Profit before tax	4,38,11,498	1,36,32,040
Profit after tax	3,15,84,414	91,13,358
Earnings Per Share (EPS)	6.39	4.10

### ❖ HIGHLIGHTS OF PERFORMANCE

Total Revenue for the year increased to ₹ 10140.68 lacs as compared to ₹ 3449.60 lacs in the previous year. Profit before Tax for the year was ₹ 438.11 lacs as compared to ₹ 136.32 lacs in the previous year. Profit after Tax for the year was ₹ 315.84 lacs as compared to ₹ 91.13 lacs in the previous year.

### ❖ DIVIDEND

Your Directors are pleased to recommend a Dividend of ₹ 1/- (@ 10%) on fully paid up equity share of ₹ 10/- each for the financial year 2017- 18 subject to approval of the shareholders at the ensuing Annual General Meeting.

### ❖ FIXED DEPOSITS

The Company has not accepted any deposit from public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

### ❖ SHARE CAPITAL

The Company's paid up equity capital as on 31<sup>st</sup> March 2018 is ₹ 4,94,00,000/- comprising 49,40,000 Equity Shares of ₹ 10/- each fully paid up compares to ₹ 2,22,50,000/- comprising of 22,50,000 equity shares of ₹ 10/- each fully paid up at the end of the previous year. The increase in the paid up share capital is on account of issue of 13,35,000 bonus shares and 13,80,000 equity shares of ₹ 10/- each at a premium of ₹ 42/- per share aggregating ₹ 52/- per share in Initial Public Offer.

The Company has neither issued shares with differential rights as to dividend, voting or otherwise nor issued shares (including sweat equity shares) to the employees or Directors of the Company, under any Scheme.

No disclosure is required under Section 67(3)(c) of the Act, in respect of the voting rights not exercised directly by the employees of the Company as the provisions of the said Section are not applicable.

### ❖ DIRECTORS AND KMP

During the year under review and thereafter, following changes took place with regard to Directors and Key Managerial Personnel:

Sr No.	Name of Director/KMP	Appointment/cessation/ change in designation	Effective date
1	Kalpeshkumar Ramanbhai Patel	Appointed as Managing Director Designated as Chairman cum Managing Director	24.10.2017 24.10.2017

2	Ridhi Kalpeshkumar Patel	Appointed as additional director Reappointed as a non executive director	14.10.2017 24.10.2017
3	Sankar Ray	Appointed as a Director Reappointment as a Whole Time Director Resigned as Director	09.09.2017 24.10.2017 08.02.2017
4	Rajeshbhai Tulsibhai Patel	Appointed as an Independent Director	24.10.2017
5	Mahendrabhai Lallubhai Machi	Appointed as an Independent Director	24.10.2017
6	Kamlesh Narendrabhai Patel	Appointed as an Independent Director	24.10.2017
7	Vaibhav kumar Nagindas Shah	Appointed as a Chief Financial Officer	14.10.2017
8	Jankiben Jaydeepsinh Sisodiya	Appointed as a Company Secretary	25.08.2017
9	Rajesh Laljibhai Bhardva	Resigned as Director	14.10.2017

#### ❖ DECLARATION BY INDEPENDENT DIRECTORS

Mr. Rajeshbhai Tulsibhai Patel, Mr. Mahendrabhai Lallubhai Machi and Mr. Kamlesh Narendrabhai Patel were the Independent Directors of the Company as on 31<sup>st</sup> March, 2018 pursuant to the provisions of Section 149(10) of the Act.

The Board of Directors of the Company hereby confirms that all the Independent Directors duly appointed by the Company have given the declaration and they meet the criteria of Independence as provided under Section 149(6) of the Act.

#### ❖ ANNUAL EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, its Committees and individual Directors pursuant to the requirements of the Act and the Listing Regulations.

#### ❖ REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management Personnel and their remuneration. The Remuneration Policy is attached as **Annexure "A"**.

#### ❖ NO OF MEETINGS

During the year, thirteen(13) Board Meetings were convened and held on 2<sup>nd</sup> June 2017, 15<sup>th</sup> June 2017, 19<sup>th</sup> June 2017, 5<sup>th</sup> August 2017, 25<sup>th</sup> August 2017, 22<sup>nd</sup> September 2017, 14<sup>th</sup> October 2017, 13<sup>th</sup> November 2017, 5<sup>th</sup> December 2017, 26<sup>th</sup> December 2017, 17<sup>th</sup> January 2018, 1<sup>st</sup> February 2018 and 17<sup>th</sup> February 2018 the intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

#### ❖ AUDIT COMMITTEE

The Board has constituted an Audit Committee pursuant to the provisions of Section 177(1) of the Companies Act, 2013. The Composition of the Audit Committee is as under:

Mr. Rajeshbhai Tulsibhai Patel (Chairman)

Mr. Mahendrabhai Lallubhai Machi (Member)

Mr. Kamlesh Narendrabhai Patel (Member)

The recommendations of the Audit Committee were accepted by the Board of Directors of the Company from time to time.

During the year one meeting of the committee was held on 05/03/2018.

#### ❖ SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

The Company has neither subsidiary nor Joint Venture Company nor Associate Company.

❖ **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has established effective internal control systems to ensure accurate, reliable and timely compilation of financial statements, to safeguard assets of the Company, and to detect and mitigate irregularities and frauds. The Company's management has adequate internal control procedures over financial reporting.

In accordance with the requirements of Section 143(3)(i) of the Companies Act, 2013, the Statutory Auditors have confirmed the adequacy and operating effectiveness of the internal financial control systems over financial reporting.

❖ **VIGIL MECHANISM/WHISTLE BLOWER POLICY**

The Company has established Vigil Mechanism system and framed Whistle Blower Policy. Whistle Blower Policy is disclosed on the website of the Company at <http://solex.in/Vigil-Mechanism.aspx>.

❖ **PARTICULARS OF EMPLOYEE AND REMUNERATION**

The details of employees of the Company in terms of remuneration drawn as required under Section 134 of the Companies Act, 2013 and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed hereto **Annexure "B"** and forms part of this Report.

There is no employee drawing remuneration of ₹ 1,02,00,000 or more per annum or ₹ 8,50,000 or more per month or for any part of the year and hence the particulars required to be disclosed under Section 134 of the Companies Act, 2013 read with Rule 5(2) the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not furnished.

❖ **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO**

The particulars required to be disclosed in this report pursuant to the provision of the Companies (Accounts) Rules, 2014 are given in **Annexure "C"** forming part of this report.

❖ **CORPORATE GOVERNANCE REPORT AND CERTIFICATE**

SEBI Regulation on compliance of conditions of Corporate Governance is not applicable to the Company. However, Company is complying all other SEBI regulations and listing agreement.

❖ **MANAGEMENT'S DISCUSSION AND ANALYSIS**

A detailed review of the operations, performance and future outlook of the Company is given in the Management's Discussion and Analysis appearing as **Annexure "D"** to this Report.

❖ **RELATED PARTY TRANSACTIONS**

The Company has entered into transactions with the related party in the ordinary course of business and at the arms length basis. The particulars of contracts or arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Act in the prescribed Form AOC-2 is enclosed as per **Annexure "E"**.

❖ **DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 134(3)(c) read with 134(5) of the Companies Act, 2013, your Directors confirm that:

- (a) The applicable accounting standards had been followed along with proper explanation relating to material departures, if any, in the preparation of the annual accounts;
- (b) Appropriate accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The annual accounts have been prepared on a going concern basis;
- (e) Proper internal financial controls have been laid down and followed by the Company and that such internal financial controls are adequate and were operating effectively; and

- (f) Proper systems to ensure compliance with the provisions of all the applicable laws have been devised and that such systems were adequate and are working effectively.

❖ **STATUTORY AUDITORS' AND INDEPENDENT AUDITORS' REPORT**

Presently, the Company's statutory auditors are M/s. Patel & Mehta Associates, Chartered Accountants, (125480W), Anand and Mistry & Shah, Chartered Accountant, (122702W), Ahmedabad as a joint Auditors. M/s. Patel & Mehta was appointed at Annual General Meeting dated 30.09.2015 for a period of five years and Mistry & Shah were appointed in board meeting held on 7<sup>th</sup> May, 2018 as joint auditors to hold office upto the ensuing Annual General Meeting. Company has received a resignation letters from M/s. Patel & Mehta and Mistry & Shah as Auditors of the Company.

The members of the Audit committee at their Meeting held on 9<sup>th</sup> June, 2018 have recommended appointment of M/s. G. S. Mathur & Co., Chartered Accountants, Ahmedabad having (Firm Registration Number 008744N) Statutory Auditors of the Company subject to the approval of members of the Company at the ensuing Annual General Meeting of the Company to conduct the audit for the 1 (One) financial years from this Annual General Meeting till to 5<sup>th</sup> Annual General Meeting at such remuneration as may be decided by the Board and auditors mutually. Their appointment and payment of remuneration are to be confirmed and approved in the ensuing Annual General Meeting. The Company has received a certificate from proposed statutory auditor, to the effect that if they are appointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013 read with the rules, if any.

❖ **SECRETARIAL AUDITOR**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Praful N. Vekariya, Company Secretaries in Practice, to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith as **Annexure "F"**. The Company is complying the secretarial standards as prescribed by The Institute of Company Secretaries of India.

❖ **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The Company Has not done any transactions for Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013.

❖ **DEVELOPMENT AND IMPLIMENTATION OF RISK MANAGEMENT POLICY**

Risk affects every organization by one way or other. Thus planning to handle such risk in future is of vital importance for every organization. Your Company always focuses on identifying and monitoring the risk and to take precautionary steps for risks affecting to your Company. There are certain risks like Price Risk, Government Policies, Human Resource, Competition etc. and have planned to manage such risk by adopting best management practices.

❖ **CORPORATE SOCIAL RESPONSIBILITY**

The Company does not fall in any of the criteria of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and hence the Company is not required to comply with the same.

❖ **EXTRACT OF THE ANNUAL RETURN U/S 92(3) OF THE ACT AS PER FORM MGT-9**

The Extract of Annual Return as required under section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 in Form MGT-9 is annexed herewith for your kind perusal and information as per **Annexure "G"**.

❖ **DETAILS OF SIGNIFICANT OR MATERIAL ORDER PASSED**

There was no significant and material orders passed by any Regulator or Court or Tribunal impacting the going concern status and Company's Operations in future during the year under review.

❖ **DISCLOSURE UNDER THE SEXUAL HARASSEMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT 2013**

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment all employees (permanent, contractual,



temporary, trainees) are covered under this policy. The summary of sexual harassment complaints received and disposed off during the financial year 2017-2018 is as under:

Number of Complaints Received	NIL
Number of Complaints Disposed off	NIL

❖ **CHANGE IN THE NATURE OF BUSINESS**

During the year under review, there was no change in the nature of business of the Company and there is no material change and/or commitments, affecting the financial position of the Company, during the period from 31<sup>st</sup> March, 2018 till the date of this report.

❖ **REPORTING OF FRAUDS**

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and/or Board under Section 143(12) of the Act and Rules framed there under.

❖ **ACKNOWLEDGEMENT**

The Board records its thanks to the Company's Bankers, Financial Institutions, Government, Collaborators and other agencies for their support extended to the Company and look forward to their continued support.

By the order of the board of  
**Solex Energy Limited**

Date : 09.06.2018  
Place : Vithal Udyognagar

Sd/-  
**Kalpeshkumar Ramanbhai Patel**  
Chairman cum Managing Director

## MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION

### Compliance Certificate

Regulation 17(8) and 33(2)(a) of SEBI(LODR)2015.

- A. We have reviewed audited Financial Statements and cash flow statement for the year 2017-18 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

We have indicated to the auditors and the Audit committee

- (1) Significant changes in internal control over financial reporting during the year;
- (2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- (3) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For **Solex Energy Limited**

Date : 07.05.2018  
Place : Vithal Udyognagar

Sd/-  
**Kalpeshkumar Patel**  
Managing Director

**Vaibhavkumar Shah**  
Chief Financial Officer

## ANNEXURE “A” THE BOARD REPORT

**This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Committee, in compliances with Section 178 of the Companies Act, 2013 read along with applicable rules thereto.**

Objectives of the Committee

The Committee Shall:

Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees.

Formulation of criteria for evaluation of the Independent Director and to carry out evaluation of every Director's performance and to provide necessary report to the Board for further evaluation.

Devising a policy on Board diversity.

Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.

1. To provide to Key Managerial Personal and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
2. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
3. Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
4. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
5. To perform such other functions as may be necessary or appropriate for the performance of its duties.
6. To develop a succession plan for the Board and to regularly review the plan.

### Definitions:

- **"Act"**:- Act means the Companies Act, 2013 and Rules framed there under, as amended from time to time.
- **"Board"**:-Board means Board of Directors of the Company.
- **"Director"**:-Directors means Directors of the Company.
- **"Committee"**:-Committee means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, from time to time.
- **"Company"**:- Company means Solex Energy Limited.
- **"Independent Director"**:- As provided under the Companies Act, 2013, 'Independent director' shall mean a non-executive director, other than a nominee director of the Company:
  - a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
  - b.
    - i. who is or was not a promoter of the Company or its holding, subsidiary or associate Company;
    - ii. who is not related to promoters or directors in the Company, its holding, subsidiary or associate Company;
  - c. apart from receiving director's remuneration, has or had no pecuniary relationship with the Company, its holding, subsidiary or associate Company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
  - d. none of whose relatives has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate Company, or their promoters, or directors, amounting to two percent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
  - e. who, neither himself nor any of his relatives-
    - i. holds or has held the position of a key managerial personnel or is or has been employee of the Company or its holding, subsidiary or associate Company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;

- ii. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed; of-
    - a. a firm of auditors or Company secretaries in practice or cost auditors of the Company or its holding, subsidiary or associate Company; or
    - b. any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate Company amounting to ten per cent or more of the gross turnover of such firm;
  - iii. holds together with his relatives two per cent or more of the total voting power of the Company; or
  - iv. is a Chief Executive or director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate Company or that holds two per cent or more of the total voting power of the Company; or
  - f. who possesses such other qualification as may be prescribed under the applicable statutory provisions/ regulations
  - g. is a material supplier, service provider or customer or a lessor or lessee of the Company;
  - h. who is not less than 21 years of age.
- **“Key Managerial Personnel”**:- Key Managerial Personnel (KMP) means-
    - i. the Chief Executive Officer or the managing director or the manager;
    - ii. the Whole-Time Director;
    - iii. the Company Secretary;
    - iv. the Chief Financial Officer; and
    - v. such other officer as may be prescribed under the applicable statutory provisions/ regulations

**“Senior Management”**:- The expression “senior management” means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

**“Nomination and Remuneration Committee”** shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013.

**“Policy or This Policy”** means, “Nomination and Remuneration Policy”.

**“Remuneration”** means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

### **Guiding Principles**

The Policy ensures that

- i. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.
- ii. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- iii. Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

### **Applicability:**

The Policy is applicable to

- i. Directors (Executive and Non Executive)
- ii. Key Managerial Personnel
- iii. Senior Management Personnel
- iv. Employees

### **Constitution of the Nomination and Remuneration Committee:**

The Board has the power to constitute/ reconstitute the Committee from time to time in order to make it consistent with the Company's policy and applicable statutory requirement. At present, the Nomination and Remuneration Committee comprises of following Directors:

- i. Mr. Mahendrabhai Lallubhai Machhi, Chairman (Non-Executive Independent Director)
- ii. Mr. Kamlesh Narendrabhai Patel, Member (Non-Executive Independent Director)
- iii. Mr. Rajeshbhai Tulsibhai Patel, Member (Non-Executive Independent Director)

### **Membership:**

- a. The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.
- b. Minimum two (2) members shall constitute a quorum for the Committee meeting.
- c. Membership of the Committee shall be disclosed in the Annual Report.
- d. Term of the Committee shall be continued unless terminated by the Board of Directors.

### **Chairman:**

- a. Chairman of the Committee shall be an Independent Director.
- b. Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- c. In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- d. Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

### **Frequency of Meetings:**

The Committee shall meet at such regular intervals as may be required.

### **Committee Members' Interests:**

- a. A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

### **Secretary:**

1. The Company Secretary of the Company shall act as Secretary of the Committee.

### **Voting:**

- a. Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- b. In the case of equality of votes, the Chairman of the meeting will have a casting vote.

### **General Appointment Criteria:**

- i. The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and accordingly recommend to the Board his / her appointment.
- ii. The Company should ensure that the person so appointed as Director/ Independent Director/ KMP/ Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made there under or any other enactment for the time being in force.
- iii. The Director/ Independent Director/ KMP/ Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made there under, or any other enactment for the time being in force.
- iv. The Company shall not appoint or continue the employment of any person as Managing Director/Whole-time Director/Manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing

a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

**Term / Tenure:**

The Term / Tenure of the Directors shall be governed as per provisions of the Companies Act, 2013 and rules made there under as amended from time to time.

1. Managing Director/Whole-time Director/Manager (Managerial Person):- The Company shall appoint or re-appoint any person as its Managerial Person for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
2. Independent Director: - An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves as an Independent Director.

**Evaluation:**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management at regular interval (yearly).

**Removal:**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations or any other reasonable ground, the Committee may recommend to the Board for removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

**Retirement:**

The Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

**Criteria for Evaluation of the Board:**

Following are the Criteria for evaluation of performance of the Board:

1. Executive Directors:  
The Executive Directors shall be evaluated on the basis of targets/Criteria given to executive Directors by the Board from time to time
2. Non Executive Director:  
The Non Executive Directors shall be evaluated on the basis of the following criteria i.e. whether they:
  - a. act objectively and constructively while exercising their duties;
  - b. exercise their responsibilities in a bona fide manner in the interest of the Company;
  - c. devote sufficient time and attention to their professional obligations for informed and balanced decision making;
  - d. do not abuse their position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
  - e. refrain from any action that would lead to loss of his independence
  - f. inform the Board immediately when they lose their independence,
  - g. assist the Company in implementing the best corporate governance practices.
  - h. strive to attend all meetings of the Board of Directors and the Committees;
  - i. participate constructively and actively in the committees of the Board in which they are chairpersons or members;

- j. strive to attend the general meetings of the Company;
- k. keep themselves well informed about the Company and the external environment in which it operates;
- l. do not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- m. moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.
- n. abide by Company's Memorandum and Articles of Association, Company's policies and procedures including code of conduct, insider trading etc.

**Policy on Board diversity:**

The Board of Directors shall have the optimum combination of Directors from the different areas/fields like production, Management, Quality Assurance, Finance, Sales and Marketing, Supply chain, Research and Development , Human Resources etc or as may be considered appropriate. The Board shall have at least one Board member who has accounting or related financial management expertise and financially literate.

**Remuneration:**

The Committee will recommend the remuneration to be paid to the Managing Director, Whole Time Director, KMP and Senior Management Personnel to the Board for their approval. The level and composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate directors, Key Managerial Personnel and Senior Management of the quality required to run the Company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals:

**General:**

1. The remuneration / compensation / commission etc. to Managerial Person, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
2. The remuneration and commission to be paid to Managerial Person shall be as per the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.
3. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managerial Person. Increments will be effective from the date of reappointment in respect of Managerial Person and 1<sup>st</sup> April in respect of other employees of the Company.
4. Where any insurance is taken by the Company on behalf of its Managerial Person, KMP and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

**Remuneration to Managerial Person, KMP and Senior Management:**

1. Fixed pay: Managerial Person, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to PF, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.
2. Minimum Remuneration: If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.
3. Provisions for excess remuneration: If any Managerial Person draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

**Remuneration to Non-Executive / Independent Director:**

1. Remuneration / Commission: The remuneration / commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force.
2. Sitting Fees: The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
3. Limit of Remuneration /Commission: Remuneration /Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

**Minutes of Committee Meeting:**

Proceedings of all meetings must be minute and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting. Minutes of the Committee meeting will be tabled at the subsequent Board and Committee meeting.

**Deviations from this policy:**

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

By the order of the board of  
**Solex Energy Limited**

Sd/-

**Kalpeshkumar Ramanbhai Patel**  
Chairman cum Managing Director

Date : 09.06.2018  
Place : Vithal Udyognagar



## ANNEXURE “B” THE BOARD REPORT

### Statement of Disclosure of Remuneration in accordance with Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Details of Director and KMPs remuneration:-

Sr. No.	Name	Designation	Remuneration (Amount in Rs.)
1.	Kalpeshkumar Ramanbhai Patel	Managing Director	8,50,000
2.	Jankiben Jaydeepsinh Sisodiya*	Company Secretary	1,00,258
3.	Vaibhavkumar Nagindas Shah**	Chief Financial Officer	1,41,772

\*Mrs. Jankiben Jaydeepsinh Sisodiya has been appointed as Company Secretary w.e.f. 24<sup>th</sup> August 2017.

\*\*Mr. Vaibhavkumar Nagindas Shah has been appointed as Chief Financial Officer w.e.f 14<sup>th</sup> October 2017.

**Notes:**

- The Non-Executive and Independent Directors do not receive remuneration or sitting fees for attending the Board Meetings.
- During FY 2017-18, no employee received remuneration in excess of the highest paid directors.
- The Company pays remuneration to the Executive Directors, Key Managerial Personnel and other employees in accordance with its Remuneration Policy.

**Other Disclosures:**

Total no. of Permanent Employees on Company’s roll	<b>31.03.2017</b>
Excl KMPs	<b>37</b>
Incl KMPs	<b>40</b>

By the order of the board of  
**Solex Energy Limited**

Sd/-

**Kalpeshkumar Ramanbhai Patel**  
Chairman cum Managing Director

Date : 09.06.2018  
Place : Vithal Udyognagar

## ANNEXURE 'C' TO THE DIRECTOR'S REPORT

**INFORMATION AS PER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF THE BOARD REPORT FOR THE YEAR ENDED 31ST MARCH, 2018.**

**(A) CONSERVATION OF ENERGY:**

Energy conservation measures taken during the year include the following:

- Monitoring closely high energy consuming equipment.
- Installation of capacitors bank for achieving optimum power factor.
- Use of Stabilizers on entire factory lighting thereby achieving overall reduction in energy consumption.
- Optimum uses of compressors & monitoring air losses
- Impact of the measures of 1, 2, 3 & 4 above for reduction of energy consumption and consequent impact on the cost of production of goods. Saving in fuel cost was achieved.

**(B) TECHNOLOGY ABSORPTION:**

- The Company is using Latest technology for manufacturing of the products and same has been fully absorbed.
- The Company is continuously improving its quality and installed Latest Equipment and new Testing & Measuring equipment.

**(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:**

(Amount in Rs.)

Particulars	2017-18	2016-17
Total foreign exchange out go	24,85,682	5,68,66,455
Total foreign exchange inflow	88,78,522	Nil

By the order of the board of

**Solex Energy Limited**

Sd/-

**Kalpeshkumar Ramanbhai Patel**  
Chairman cum Managing Director

Date : 09.06.2018  
Place : Vithal Udyognagar

## ANNEXURE “D” THE BOARD REPORT

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### Industry structure and development

Solex is a leading Manufacturer of Solex PV module in India. Changing economic and business conditions, technological innovation and technology adoption are making the markets more competitive. The customer focus has shifted to cost saving and alternate solution. Solex always provides the optimum solution to its customer.

There are challenging times across the world. Almost every business every individual is being impacted in these times and your Company is no exception to it. This is the time for us to show what we are made up of. We must work harder and smarter, delight our customers now more than ever. The true spirit is founded on our enthusiasm, on our constant will to renew, on our willingness to assume responsibility and to ensure that we succeed. Your Company backed by a list of Multinational and Indian Corporate Giants and remarkable processing talents was able to face those challenges by bolstering talent and cost effective plans across the Company.

#### Performance Analysis

The performance analysis for the year; we achieved a Net Revenue of ₹ 10140.68/-lacs during the year. The Interest & Finance Costs for the year stood at ₹ 79.60 lacs.

#### Opportunities & Threats

Compared to the Global crisis, the effect on India was less pronounced. The main factor is the domestic consumption in India is sufficiently large. Sustained domestic growth will bring improvement in all facets of life.

World markets continued to remain in the slump but do recognise the competitiveness of Indian products and services. This will in turn accelerate the pace of the domestic markets too in future.

India's power sector is one of the most diversified in the world. Sources of power generation range from conventional sources such as coal, lignite, natural gas, oil, hydro and nuclear power to viable non-conventional sources such as wind, solar, and agricultural and domestic waste. Electricity demand in the country has increased rapidly and is expected to rise further in the years to come. In order to meet the increasing demand for electricity in the country, massive addition to the installed generating capacity is required. So renewable energy sector is most valuable in India as well as in World and our Company is working in this sector so we have a bright future. Government has also taken initiative steps for using solar source in electricity consumption like subsidy.

The existing expanded scale of our operations, future developments, low overheads, and qualities of products matching with International Standards are our inherent strengths. This in turn continues to give us unparalleled platform to be more competitive. We are focused to deliver superior values to customers, ensuring International qualities for all the products and services.

#### Outlook

We are one of the oldest Companies in the field of manufacturing of Solar PV Module. The New Year started with positive note; people started getting over the increased costs. The required / requested price rise was also coming from some sectors; to start with. Marketing Strategy and efforts to cater to diverse industrial applications were showing results and sales are growing from early parts of the year itself, newer opportunities are showing positive signs and contracted sales opportunities are offered.

#### Risk Management

Renewable energy sector has a certain specific set of risk characteristics, which needs to be carefully evaluated and mitigated. In order to effectively manage the same, the Company has evolved proactive Risk Management System, which is adhered to. The risk management covers the entire process from capital investment, competitors' activities, new entrants etc. Continual reforms and emphasis on technological developments shall reduce the exposure to risk.

#### Internal Control Systems

There are adequate internal control systems operating in the Company, which are commensurate with the size and operations of the Company. The Audit Committee supervises the checks and controls exercised, and reports any suggestions or deviations on a continuing basis. The authority and responsibility of every employee is defined, thus leaving no scope for any deviation.

Further, during the current year the Company has maintained ISO 9001 – 2008 Certification. This has further improved the efficiency and the responsibility of the employees.

#### **Financial performance vis-à-vis Operational performance**

Our production and revenues have increased during the current year. There has been an all round growth in the renewable energy market.

The performance analysis for the year; we achieved a Net Revenue of Rs. 10125.01 lacs during the year. The Interest & Finance Costs for the year stood at ₹ 79.60 Lacs which is nearly 0.80% of the Net Sales & Depreciation at ₹ 65.45 Lacs. The RMC stood at ₹ 9,467 Lacs.

The Company has paid all the Financial Commitments to Bank within the stipulated period as per the Audit Report. The production costs in absolute terms, increased during the current year.

#### **Human Resources**

The focus is on the capability development, performance management and employee engagement. This is expected to improve the cost competitiveness through greater levels of employee participation, commitment and involvement.

#### **CAUTIONARY STATEMENT**

Statement in this management analysis detailing the Company's objectives, projections, estimates, expectations, or predictions may be "forward looking" statements within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that may influence your Company's operations include Global and domestic supply and demand conditions affecting selling prices, input availability and prices, changes in Government policies, regulations, tax regimes, economic development within and outside the country and other allied factors. The Company assumes no responsibility to publicly amend, modify or revise the forward looking statement on the basis of subsequent developments, information or events.

By the order of the board of  
**Solex Energy Limited**

Sd/-  
**Kalpeshkumar Ramanbhai Patel**  
Chairman cum Managing Director

Date : 09.06.2018  
Place : Vithal Udyognagar

## ANNEXURE “E” THE BOARD REPORT

### AOC-2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014.]

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

#### A. Details of contracts or arrangements or transactions not at arm's length basis

During the year, The Company has not entered into any contracts or arrangements with any of the related party which are not on arm's length basis.

#### B. Details of material contracts or arrangement or transactions at arm's length basis

(1)	Purchase of goods and services	
(a)	Name(s) of the related party and nature of relationship	Pramukh Systems Kamlesh Narendrabhai Patel is proprietor of Pramukh System and he holds independent directorship in the Company.
(b)	Nature of contracts/arrangements/transactions	Purchase of Computer and Softwares
(c)	Duration of the contracts/arrangements/transactions	24.10.2017 to 31.03.2018
(d)	Date(s) of approval by the Board, if any	14.10.2017
(e)	Amount paid as advances, if any:	Nil
(2)	Leasing of property	
(a)	Name(s) of the related party and nature of relationship	Kalpeshkumar Ramanbhai Patel Kalpeshkumar Ramanbhai Patel is chairman cum Managing Director of the Company.
(b)	Nature of contracts/arrangements/transactions	Property on lease
(c)	Duration of the contracts/arrangements/transactions	01.04.2017 to 31.03.2018
(d)	Date(s) of approval by the Board, if any	02.06.2017
(e)	Amount paid as advances, if any:	Nil

By the order of the board of  
**Solex Energy Limited**

Sd/-

**Kalpeshkumar Ramanbhai Patel**  
Chairman cum Managing Director

Date : 09.06.2018  
Place : Vithal Udyognagar

## ANNEXURE “F” THE BOARD REPORT

### Form No. MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2018

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

To,  
The Members,  
SOLEX ENERGY LIMITED  
Vithal Udyognagar.

We have conducted the Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SOLEX ENERGY LIMITED (hereinafter called the Company). Secretarial Audit was conducted in accordance with the Guidance Notes issued by the Institute of Company Secretaries of India and in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2018 Complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and the other records maintained by SOLEX ENERGY LIMITED for the financial year ended on 31<sup>st</sup> March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings – As informed to us, there were no FDI transaction in the Company during the year under review.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992('SEBI Act'):-
  - (a) The Securities and Exchange Board of India ( Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India ( Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client – Company has appointed SEBI registered Category-I Registrar and Share Transfer Agent.
  - (d) The Securities and Exchange Board of India ( Issue of Capital and Disclosure Requirements) Regulations, 2009;

We further report that there were no actions/events in pursuance of the following regulations requiring compliance thereof by the Company during the period of this report:

- (a) The Securities and Exchange Board of India ( Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (b) The Securities and Exchange Board of India ( Issue and Listing of Debt Securities ) Regulations, 2008;

- (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(vi) Other Applicable Acts

As informed to us, there are no laws which have specific applicability to the Company other than general laws applicable to the industry generally.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited. (NSE Emerge).
- (iii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation 2015.

During the Period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards, etc. mentioned above.

We further report that

During the year, the Company was converted from private limited to public limited. The Company has allotted 13,35,000 equity shares as bonus shares and also allotted 13,80,000 equity shares to the public in compliance with the SEBI regulations and the Company was listed on the NSE Emerge.

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

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes. However, there was no any dissenting views,

We further report that there are adequate systems and processes on the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For **Praful N. Vekariya**

Date : 04.06.2018

Place : Surat

**Praful N. Vekariya**  
Company Secretary  
C P No.: 10858

Note : This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

## ANNEXURE

To,  
The Members,  
SOLEX ENERGY LIMITED  
Vithal Udyognagar.

Our report of even date is to be read along with this letter.

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

For **Praful N. Vekariya**

Date : 04.06.2018  
Place : Surat

**Praful N. Vekariya**  
Company Secretary  
C P No.: 10858



## ANNEXURE “G” THE BOARD REPORT

FORM NO. MGT. 9

### EXTRACT OF ANNUAL RETURN

as on the financial year ended on 2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### REGISTRATION & OTHER DETAILS:

CIN	L40106GJ2014PLC081036
Registration Date	13/10/2014
Name of the Company	Solex Energy Limited
Category/Sub-category of the Company	Limited Company
Address of the Registered office & contact details	Plot No. 131/A, G.I.D.C. Estate, Phase I, Nr. Krimy Industries, Vithal Udyognagar Gujarat, India. PH. NO: (02692) 230317 E-MAIL: sesin2009@gmail.com
Whether listed Company	Yes (NSE EMERGE)
Name, Address & contact details of the Registrar & Transfer Agent, if any.	Skyline Financial Services Private Limited D-153 A, 1 <sup>ST</sup> Floor, Okhla Industrial Area, Phase I, New Delhi -110 020. Contact Number : 011-41044923

#### PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the
1.	Solar Panels, lamps and solar instruments	4010	100

#### PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr.	Name and Address No.	CIN/GLN of The Company	Holding/ Subsidiary/Associate	% of Shares Held	Applicable Section
1.	-	-	-	-	-
2.	-	-	-	-	-

**SHARE HOLDING PATTERN** (Equity Share Capital Breakup as percentage of Total Equity)**A) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF	-	22,25,000	22,25,000	100	34,79,360	-	34,79,360	70.43	29.57
b) Any Other (Trust)	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A)</b>	-	<b>22,25,000</b>	<b>22,25,000</b>	<b>100</b>	<b>34,79,360</b>	-	<b>34,79,360</b>	<b>70.43</b>	<b>29.57</b>
<b>B. Public Shareholding</b>	-	-	-	-	14,60,640	-	14,60,640	29.57	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	-	<b>22,25,000</b>	<b>22,25,000</b>	<b>100</b>	<b>49,40,000</b>	-	<b>49,40,000</b>	<b>100</b>	<b>29.57</b>

**B) Shareholding of Promoters**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Kalpeshkumar R. Patel	22,24,800	99.99	-	34,79,360	70.43	-	29.57
2.	Rajesh Laljibhai Bhardva	100	0.005	-	-	-	-	-
3.	Arpitaben Upendrabhai Shelat	100	0.005	-	-	-	-	-
	<b>TOTAL</b>	<b>22,25,000</b>	<b>100</b>	<b>-</b>	<b>34,79,360</b>	<b>70.43</b>	<b>-</b>	<b>29.57</b>

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

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>Kalpeshkumar Ramanbhai Patel</b>				
	At the beginning of the year				
	Equity Shares	22,25,000	100	22,25,000	100
2.	Date wise Increase / Decrease				
	Transfer : 05/08/2017	50,200	2.25	21,74,600	97.74
	Allotment (Bonus) : 22/09/2017	13,04,760	97.73	34,79,360	70.43
	Change in category	200			(Decrease in % because of Initial Public Offer Allotment on 01.02.2018)
	At the end of the year	34,79,360	70.43	34,79,360	70.43

D) Shareholding Pattern of top ten Shareholders: (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Shah Bijal Mukesh	-	-	196000	3.97
2.	Beeline Broking Limited	-	-	180000	3.65
3.	Elite Accfin Solutions Pvt Ltd	-	-	52000	1.05
4.	Upendra Naranji Shelat	-	-	44000	0.89
5.	Smitaben Upendrabhai Shelat	-	-	44000	0.89
6.	Ileshkumar Sureshbhai Patel	-	-	40000	0.81
7.	Dharmeshkumar Chandrakantbhai Patel	-	-	40000	0.81
8.	Shah Parthi Jital	-	-	30000	0.61
9.	Adheesh Kabra	-	-	28000	0.57
10.	JM Financial Services Ltd	-	-	26000	0.53

E) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
1.	<b>Kalpeshkumar Ramanbhai Patel</b>	22,24,800	99.99	22,24,800	99.99
	Date wise Increase / Decrease				
	Transfer : 05.08.2017	50,200	2.25	21,74,600	97.74
	Allotment : 22.09.2017	13,04,760	97.73	34,79,360	70.43 (Decrease in % because of Initial Public Offer Allotment on 01.02.2018)
	At the end of the year	<b>34,79,360</b>	<b>70.43</b>	<b>34,79,360</b>	<b>70.43</b>
2.	<b>Ridhi Kalpeshkumar Patel</b>	Nil	Nil	Nil	Nil
3.	<b>Mahendrabhai Lallubhai Machi</b>	Nil	Nil	Nil	Nil
4.	<b>Rajeshbhai Tulsibhai Patel</b>	Nil	Nil	Nil	Nil
5.	<b>Kamlesh Narendrabhai Patel</b>	Nil	Nil	Nil	Nil
5.	<b>Jankiben Jaydeepsinh Sisodiya</b>	Nil	Nil	Nil	Nil
6.	<b>Vaibhavkumar Nagindas Shah</b>	Nil	Nil	Nil	Nil

**F. INDEBTEDNESS**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	1,20,03,794	-	-	1,20,03,794
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>1,20,03,794</b>	<b>-</b>	<b>-</b>	<b>1,20,03,794</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	5,41,98,504	-	-	5,41,98,504
* Reduction	35,74,085	-	-	35,74,085
<b>Net Change</b>	<b>5,06,24,419</b>	<b>-</b>	<b>-</b>	<b>5,06,24,419</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	6,26,28,213	-	-	6,26,28,213
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>6,26,28,213</b>	<b>-</b>	<b>-</b>	<b>6,26,28,213</b>

**G. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Kalpeshkumar R. Patel	Sankar Ray	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	8,50,000	2,10,000	10,60,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit	-	-	-
5.	Others, please specify	-	-	-
	<b>Total (A)</b>	<b>8,50,000</b>	<b>2,10,000</b>	<b>10,60,000</b>
	Ceiling as per the Company Act.	Not Applicable		

**B. REMUNERATION TO OTHER DIRECTORS: NIL**

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount
		Vaibhavkumar Nagindas Shah(CFO)	Jankiben Jaydeepsinh Sisodiya (CS)	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,41,772	1,00,258	2,42,030
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-
5.	Others	-	-	-
	<b>Total</b>	<b>1,41,772</b>	<b>1,00,258</b>	<b>2,42,030</b>
	Ceiling as per the Company Act.	Not Applicable		

**H. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL**

By the order of the board of  
**Solex Energy Limited**

Sd/-

**Kalpeshkumar Ramanbhai Patel**  
Chairman cum Managing Director

Date : 09.06.2018  
Place : Vithal Udyognagar

## INDEPENDENT AUDITORS' REPORT

### To the Members of Solex Energy Limited

#### Report on the Financial Statements

We have audited the accompanying financial statements of Solex Energy Limited ('the Company'), which comprise the balance sheet as at 31 March 2018, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the 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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

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

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

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

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

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2018 and its profit 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, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;

- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on 31 March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act; and
- (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"**.
- (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. There is no pending Litigations pending against the Company.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

As per our report even date attached

**For, Mistry & Shah**  
Chartered Accountants  
FRN.: 122702W

**CA Malav Shah**  
Partner  
M.No. 117101  
Date : 07.05.2018  
Place : Ahmedabad

**For, Patel & Mehta**  
Chartered Accountants  
FRN.: 125480W

**CA Nirav Mehta**  
Partner  
M.No. 116875  
Date: 07.05.2018  
Place : Anand

## “Annexure A” to the Independent Auditors’ Report

The Annexure referred to in our Independent Auditors’ Report to the members of the company on the Financial Statements for the year ended March 31, 2018 we report that:

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a reasonable period, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company. The title deeds of immovable properties are held in the name of the company.
2. As explained to us, The management has conducted the physical verification of inventory at reasonable intervals and no material discrepancies were noticed on physical verification.
3. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Companies Act, 2013. Hence, this clause is not applicable to us.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
5. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
6. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
7. (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess, Goods and Services Tax and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as on March 31, 2018 for a period of more than six months from the date on when they become payable.
- (b) There is no pending dues of income tax, sales tax, service tax, Excise Duty, Customs Duty, value added tax which have not been deposited as on March 31, 2018 on account of dispute.
8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks.
9. Based upon the audit procedures performed and the information and explanations given by the management, the company has raised moneys by way of Initial Public Offer amounting to ₹ 7,17,60,000.00 divided into 13,80,000 Equity Shares of ₹ 10/- per share including share premium of ₹ 42/- per share dated February 01, 2018 for the purpose of Working Capital Requirement
10. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
11. Based upon the audit procedures performed and the information and explanations given by the management, the 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. For details refer Note No. 9 of significant accounting policies.
12. In our opinion and the information and explanations given by the management, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Note No. 9 of significant accounting policies as required by the applicable accounting standards.



14. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
15. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
16. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

As per our report even date attached

**For, Mistry & Shah**

Chartered Accountants

FRN.: 122702W

**CA Malav Shah**

Partner

M.No. 117101

Date : 07.05.2018

Place : Ahmedabad

**For, Patel & Mehta**

Chartered Accountants

FRN.: 125480W

**CA Nirav Mehta**

Partner

M.No. 116875

Date: 07.05.2018

Place : Anand

## **“Annexure B” to the Independent Auditor’s Report of even date on the Financial Statements of Solex Energy Limited**

### **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 Solex Energy Limited (“the Company”) as of March 31, 2018 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal 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”) 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 was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, 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 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 March 31, 2018, 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.

As per our report even date attached

**For, Mistry & Shah**  
Chartered Accountants  
FRN.: 122702W

**CA Malav Shah**  
Partner  
M.No. 117101  
Date : 07.05.2018  
Place : Ahmedabad

**For, Patel & Mehta**  
Chartered Accountants  
FRN.: 125480W

**CA Nirav Mehta**  
Partner  
M.No. 116875  
Date: 07.05.2018  
Place : Anand

**BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2018**

(Amt. in ₹)

PARTICULARS	Note	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. SHARE HOLDERS FUND</b>			
(a) Share Capital	2	4,94,00,000	2,22,50,000
(b) Reserves and Surplus	3	8,65,73,580	1,38,72,600
(c) Money received against share warrants		-	-
<b>2. Share application money pending allotment</b>			
		-	-
<b>3. Non-current liabilities</b>			
(a) Long-term borrowings	4	38,38,200	55,72,971
(b) Deferred tax liabilities (Net)		8,46,361	21,19,277
(c) Other Long term liabilities		-	-
(d) Long-term provisions		2,52,79,717	-
<b>4. Current liabilities</b>			
(a) Short-term borrowings	5	5,87,90,013	64,30,823
(b) Trade payables		27,35,34,191	10,59,09,750
(c) Other current liabilities	6	69,47,904	8,86,54,543
(d) Short-term provisions	7	1,16,60,824	29,21,188
	<b>TOTAL</b>	<b>51,68,70,790</b>	<b>24,77,31,152</b>
<b>II. ASSETS</b>			
<b>(1) NON-CURRENT ASSETS</b>			
(a) Fixed Assets	8		
(i) Tangible assets		96,90,239	1,59,32,278
(ii) Intangible assets		1,35,718	1,50,681
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments		-	-
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances		-	-
(e) Other non-current assets	9	88,920	1,55,816
<b>(2) CURRENT ASSETS</b>			
(a) Current investments		-	-
(b) Inventories	10	7,02,46,931	2,72,34,000
(c) Trade receivables	11	37,94,70,891	16,84,83,467
(d) Cash and cash equivalents	12	19,40,086	1,53,51,204
(e) Short-term loans and advances	13	3,56,37,181	1,43,78,098
(f) Other current assets	14	1,96,60,824	60,45,608
	<b>TOTAL</b>	<b>51,68,70,790</b>	<b>24,77,31,152</b>
Contingent liabilities	15	6,51,51,738	2,26,92,525
Significant accounting policies	1		

The accompanying notes are an integral part of financial statements.

For and on behalf of the board

For : **Solex Energy Limited**

**Kalpesh Patel**  
Managing Director  
DIN - 01066992

**CA Vaibhav Shah**  
Chief Financial Officer

Date: 07-05-2018

**Kamlesh Patel**  
Director  
DIN - 07920530

**CS Janki Sisodiya**  
Company Secretary

Place : Anand

As per our report even date attached

**For: Patel & Mehta**  
Chartered Accountants  
FRN.: 125480W

**CA Nirav Mehta**  
Partner  
M.No. 116875  
Date: 07-05-2018  
Place : Anand

**For: Mistry & Shah**  
Chartered Accountants  
FRN.: 122702W

**CA Malav Shah**  
Partner  
M.No. 117101  
Date: 07-05-2018  
Place : Ahmedabad

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

(Amt. in ₹)

PARTICULARS	Note	Year Ended 31 <sup>st</sup> March, 2018	Year Ended 31 <sup>st</sup> March, 2017
I. REVENUE FROM OPERATIONS	16	1,01,25,00,615	341,267,446
II. OTHER INCOME	17	15,67,852	3,692,092
III. TOTAL REVENUE (I + II)		<u>1,01,40,68,467</u>	<u>344,959,538</u>
IV. EXPENSES :			
Cost of materials consumed	18	94,66,99,671	312,602,161
Purchases of Stock-in-Trade		-	-
Changes in inventories of Finished Goods	19	(4,44,79,604)	(16,862,037)
Employee benefits expense	20	81,35,332	6,996,093
Finance costs	21	79,59,648	6,083,607
Depreciation and amortization expense	8	65,45,228	4,057,695
Other expenses	22	4,53,96,693	18,449,979
<b>Total Expenses</b>		<u>97,02,56,968</u>	<u>331,327,497</u>
V. Profit before exceptional and extraordinary items and tax (III-IV)		<u>4,38,11,498</u>	<u>13,632,040</u>
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax (V - VI)		<u>4,38,11,498</u>	<u>13,632,040</u>
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII- VIII)		<u>4,38,11,498</u>	<u>13,632,040</u>
X. Tax Expense:			
(1) Current tax		1,35,00,000	2,946,162
(2) Deferred tax		(12,72,916)	1,572,520
XI. Profit (Loss) for the period from continuing operations (VII-VIII)		<u>3,15,84,414</u>	<u>9,113,358</u>
XII. Profit/(loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV Profit (Loss) for the period (XI + XIV)		<u>3,15,84,414</u>	<u>9,113,358</u>
XVI Earnings per equity share:			
(1) Basic		6.39	4.10
(2) Diluted		6.39	4.10

For and on behalf of the board

For : **Solex Energy Limited**

**Kalpesh Patel**  
Managing Director  
DIN - 01066992

**CA Vaibhav Shah**  
Chief Financial Officer

Date: 07-05-2018

**Kamlesh Patel**  
Director  
DIN - 07920530

**CS Janki Sisodiya**  
Company Secretary

Place : Anand

As per our report even date attached

For: **Patel & Mehta**

Chartered Accountants  
FRN.: 125480W

**CA Nirav Mehta**

Partner  
M.No. 116875  
Date: 07-05-2018  
Place : Anand

For: **Mistry & Shah**

Chartered Accountants  
FRN.: 122702W

**CA Malav Shah**

Partner  
M.No. 117101  
Date: 07-05-2018  
Place : Ahmedabad

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

(Amt. in ₹)

PARTICULARS	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>[A] Cash flow From Operating Activities</b>		
<b>Net Profit (Loss) As per Profit &amp; Loss Account</b>	3,15,84,414.29	91,13,358.49
<b>a. Tax and Extra-Ordinary Item :-</b>		
Income Tax	1,35,00,000.00	29,46,162.00
Deffered Tax	(12,72,916.00)	15,72,520.00
<b>Net Profit (Loss) before tax</b>	<b>4,38,11,498.29</b>	<b>1,36,32,040.49</b>
<b>b. Adjustments :-</b>		
Interest and finance cost	79,59,648.21	60,83,607.17
Depreciation	65,45,228.11	40,57,695.00
Interest Income	(14,16,053.00)	(11,55,018.00)
<b>Operating profit (loss) before working capital changes</b>	<b>5,69,00,321.61</b>	<b>2,26,18,324.66</b>
<b>c. Adjustments :-</b>		
Decrease/(Increase) in Trade Receivables	(21,09,87,423.79)	(7,29,85,336.41)
Decrease/(Increase) in Inventories	(4,30,12,930.86)	(2,25,81,637.14)
(Decrease)/Increase in Trade Payables	16,76,24,440.54	3,17,53,502.16
(Decrease)/Increase in Short term Borrowings	5,23,59,189.75	(2,20,91,575.91)
(Decrease)/Increase in Other Current liabilities	(8,17,06,639.00)	7,61,19,889.37
(Decrease)/Increase in Short term Provision	87,39,636.05	25,45,492.29
(Decrease)/Increase in Long term provision	2,52,79,717.00	-
<b>Net Cash Flow before tax and extra ordinary item</b>	<b>(2,48,03,688.70)</b>	<b>1,53,78,659.02</b>
Direct Taxes Paid	(1,35,00,000.00)	(29,46,162.00)
Less: Extraordinary Items	-	-
<b>Net Cash Flow from Operating Activities</b>	<b>(3,83,03,688.70)</b>	<b>1,24,32,497.02</b>
<b>[B] CASH FLOW FROM INVESTING ACTIVITIES:</b>		
a. Acquisition of Property Plant & Equipment	(2,88,226.01)	(33,44,525.00)
b. Sale of Property Plant & Equipment	-	-
c. Decrease in Capital Work in Progress	-	-
d. Dividend received	-	-
e. Interest Income	14,16,053.00	11,55,018.81
f. Decrease/(Increase) in Non Current Investment	-	-
g. Decrease/(Increase) in Long term loan and advances	-	-
h. Decrease/(Increase) in Other Non Current Asset	66,896.00	64,372.00
i. Decrease/(Increase) in Short term loans and advances	(2,12,59,083.13)	60,83,307.94
j. Decrease/(Increase) in Other Current Asset	(1,36,15,215.50)	(48,01,168.66)
<b>Net Cash Flow from Investing Activities</b>	<b>(3,36,79,575.64)</b>	<b>(8,42,994.91)</b>

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

(Amt. in ₹)

PARTICULARS	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<b>[C] CASH FLOW FROM FINANCIAL ACTIVITIES :</b>		
a. Due to Increase in Share Capital	1,38,00,000.00	72,50,000.00
b. Repayment of Long Term Borrowings	(17,34,770.58)	(46,49,585.34)
c. Share Premium Received	5,79,60,000.00	-
d. Share Issue Expense (squared off against Securities Premium)	(34,93,434.47)	-
e. Interest & Finance Cost	(79,59,648.21)	(60,83,607.17)
<b>Net Cash Flow from Financing Activities</b>	<b>5,85,72,146.74</b>	<b>(34,83,192.51)</b>
<b>Net Increase in Cash and Equivalent.(I+II+III)</b>	<b>(1,34,11,117.60)</b>	<b>81,06,309.60</b>
<b>Cash And Cash Equivalents as at the Beginning of the year</b>	<b>1,53,51,203.60</b>	<b>72,44,894.40</b>
<b>Cash And Cash Equivalents as at the year end</b>	<b>19,40,086.00</b>	<b>1,53,51,204.00</b>

**Notes :**

- Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (AS)- 3 "Cash Flow Statements" as specified in the Companies (Accounts) Rules, 2014.

The accompanying notes are an integral part of the financial Statements.

For and on behalf of the board

**For : Solex Energy Limited**

**Kalpesh Patel**  
Managing Director  
DIN - 01066992

**CA Vaibhav Shah**  
Chief Financial Officer  
Date: 07-05-2018

**Kamlesh Patel**  
Director  
DIN - 07920530

**CS Janki Sisodiya**  
Company Secretary  
Place : Anand

As per our report even date attached

**For: Patel & Mehta**  
Chartered Accountants  
FRN.: 125480W

**CA Nirav Mehta**  
Partner  
M.No. 116875  
Date: 07-05-2018  
Place : Anand

**For: Mistry & Shah**  
Chartered Accountants  
FRN.: 122702W

**CA Malav Shah**  
Partner  
M.No. 117101  
Date: 07-05-2018  
Place : Ahmedabad

## NOTES ON ACCOUNTS TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

### Note : 1 SIGNIFICANT ACCOUNTING POLICIES

#### 1. Authorised Share Capital

##### *In Respect of Authorised Share Capital:*

The Company has increased Authorized Share Capital during the year from 30,00,000/- equity shares of ₹ 10/- each to 60,00,000 Shares of ₹ 10/- each.

##### *Issue of Bonus Shares :*

The company has issued 3 bonus share to the existing shareholders for 5 (Five) shares held by them as on 22-09-2017, accordingly 13,35,000 shares of ₹ 10/- each were issued.

##### *Issue of Equity share by IPO & Listing at NSE:*

The company has issued 13,80,000 shares of ₹ 10/- each at a premium of ₹ 42/- per share aggregating ₹ 52/- per share, on 01<sup>st</sup> February, 2018 and the same was listed on 05.02.2018 at NSE Emerge.

#### 2 Share Premium

The company has received ₹ 5,79,60,000 as share premium. Further, Share issued expenses incurred during the year to the extent of ₹ 34,93,433.48 has been net off against share premium received during the year.

#### 3 Accounting Policies

Significant accounting policies adopted in the preparation and presentation of the accounts is as under: -

##### a) Basis of Accounting

The Company has adopted the accrual system of accounting and the accounts are prepared on a going concern concept.

##### b) Fixed Assets and Depreciation

Tangible Fixed Assets acquired by the company are reported at acquisition cost, with deduction for accumulated depreciation and impairment losses, if any.

The acquisition value of the assets, includes the purchase price and expenses directly attributable to the assets to bring it to the site and in the working condition for its intended use.

Depreciation on tangible fixed assets has been provided on the straight line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Intangible assets are amortised on a straight line basis over the asset's anticipated useful life estimated by management.

Capital subsidy received for machinery purchased is reduced from acquisition cost of respective assets.

Depreciation on subsidy received during the year is recalculated till date from the date of acquisition of assets and Current year depreciation has been derived.

##### c) Foreign Currency Transactions

During the year the company has direct Import of \$ 38,000/- USD (₹ 24,73,800/-) & Export of \$ 140,300/- USD (₹ 88,78,522/-). Further the company have also imported a part of machinery of EURO 130/- (₹ 11,882/-) during the year.

##### d) Revenue Recognition

Revenue is recognized when Invoice is generated/raised. Accordingly, O&M charges recovered from various customers for next 5 year has been booked as sales for the year & proposed estimated cost / expenses has been made in profit & loss.

##### e) Retirement benefits

The Company is complying the provisions of EPF and employer contribution and administration charges for the same are debited to profit & loss Account.

#### 4. Provision, Contingent Liability & Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a presence obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

For the year the company has executed various tenders and recovered O&M charges from various customers for services and maintenance during future period up to five years and has been provided @ 2 % p.a. of the invoice value for the remaining period. The amount provided for outstanding obligation toward O&M charges is ₹ 2,52,79,717/-.

#### 5. Use of Estimates:

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



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

### 6. Miscellaneous Expenditure:

The Company has a system for write off miscellaneous Expenditure in connection with Pre-Operative & Preliminary Expenses over a period of 5 years in Equal installments and for other Capital Expenditure viz. Fees for increasing authorized share capital, to write off over a period of 5 Years. ₹ 66,896/- is written off during the year. Expensed incurred for increase in authorized share capital from ₹ 3,00,00,000/- To ₹ 6,00,00,000/- has been debited to profit & loss amounting to ₹ 3,75,000/-

### 7. Provision for Current & Deferred Tax:

During the year 2017-18, the Deferred Tax Assets and Liabilities comprise of the effect of the following time difference.

Particulars	Def. Tax Liability
Depreciation Claimed Excess up to 31-03-2018	27,39,033/-
DTL as on 31-03-2018 @ 30.9%	8,46,361/-
Opening Balance of DTL as on 01-04-2017	21,19,277/-
Provision For the Year	(-1272916/-)

### 8. Payment to Auditors

Auditors Remuneration	2017-18	2016-17
Audit Fees	3,25,000	45,000
Tax Audit Fees	25,000	30,000
Company Law Matters	-	-
other services	2,75,000	-
<b>Total</b>	<b>6,25,000</b>	<b>75,000</b>

### 9. Transaction with Related Party (As per AS 18)

Name of Related Party	Relation	Payment made(Amount)	Nature of transaction
Kalpesh R Patel	Director	11,20,000/-	Rent on Building
Kalpesh R Patel	Director	8,50,000/-	Salary
Sankar Ray	Director	2,10,000/-	Salary
Mallika Ray	Spouse of Director	1,80,000/-	Salary
Kamlesh Patel (Prop. : Pramukh Systems)	Director	2,11,413/-	Purchase of Computers & related services
Vaibhav Shah	Chief Financial Officer	1,41,772/-	Salary
Janki Sisodiya	Company Secretary	1,00,258/-	Salary

10. The Company was operating as a Private Limited Company till 22-09-2017. During the year under audit it has been converted to Limited Company. Pursuant to such conversion, the company entered in to the capital market with a maiden public issue of equity shares of 13,80,000 of ₹ 10/- per share with a premium of ₹ 42/- per share aggregating to ₹ 7,17,60,000/-. Its equity share has been listed and traded on the SME platform of NSE Limited. The company has fully spent / utilized the proceed of the funds raised under the IPO, as per the object of the issue up to 31-03-2018. The disclosure is in compliance with the SEBI regulation 32 of the SEBI (Listing obligation and disclosure requirement) Regulation, 2015.
11. Bifurcation of Trade Payable to MSME and other then MSME unit is not available with the management.
12. Balances of sundry Debtors/Creditors/Loans/Advances and Deposits are subject to confirmation, reconciliation and necessary adjustments.
13. Previous year's figures have been re-grouped or re-arranged wherever necessary to make them comparable with the current year figures.

For and on behalf of the board

**For : Solex Energy Limited**

**Kalpesh Patel**  
Managing Director  
DIN - 01066992

**Kamlesh Patel**  
Director  
DIN - 07920530

Place : Anand  
Date : 07-05-2018

**CA Vaibhav Shah**  
Chief Financial Officer

**CS Janki Sisodiya**  
Company Secretary

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

PARTICULARS	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017	
	Number	Rs.	Number	Rs.
(Amt. in ₹)				
<b>Note : 2 SHARE CAPITAL</b>				
<u>Authorised Share Capital</u>				
Equity Shares of ₹ 10/- Each	60,00,000	6,00,00,000	30,00,000	3,00,00,000
<u>Issued</u>				
Equity Shares of ₹ 10/- Each	49,40,000	4,94,00,000	22,25,000	2,22,50,000
<u>Subscribed &amp; Paid up</u>				
Equity Shares of ₹ 10/- each	49,40,000	4,94,00,000	22,25,000	2,22,50,000
The company has issued 3 bonus share to the existing shareholders for 5 (Five) shares held by them as on 22-09-2017, accordingly 13,35,000 Shares of ₹ 10/- each were issued.				
<b>Total</b>	<b>49,40,000</b>	<b>4,94,00,000</b>	<b>22,25,000</b>	<b>2,22,50,000</b>

PARTICULARS	Equity Shares		Preference Shares	
	Number	Rs.	Number	Rs.
(Amt. in ₹)				
<b>Note : 2.1 Share Capital Reconciliation</b>				
Shares outstanding at the beginning of the year	22,25,000	2,22,50,000	-	-
Add : Shares Issued during the period by bonus	13,35,000	1,33,50,000	-	-
Add : Shares Issued during the period by IPO	13,80,000	1,38,00,000	-	-
Less : Shares bought back during the period	-	-	-	-
Shares outstanding at the end of the period	49,40,000	4,94,00,000	-	-

Name of Shareholder	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
(Amt. in ₹)				
<b>Note : 2.2 Shares held by each shareholder holding more than Five percent shares of share capital</b>				
Mr. Kalpeshkumar Patel	34,79,360	70.43%	22,24,800	99.99%

PARTICULARS	As at	
	31 <sup>st</sup> March, 2018	31 <sup>st</sup> March, 2017
(Amt. in ₹)		
<b>Note : 3 Reserves and surplus</b>		
a. Securities Premium Account		
Opening Balance	-	-
Add : Securities premium credited on Share issue	5,79,60,000	-
Less : Premium Utilised for Issue Expenses	34,93,434	-
Closing Balance	5,44,66,566	-
b. Surplus		
Opening balance	1,38,72,600	47,59,242
Add : Net Profit/(Net Loss) For the current Period	3,15,84,414	91,13,358
Add : Transfer from Reserves	-	-
Less : Proposed Dividends	-	-
Less : Interim Dividends	-	-
Less : Issue of Bonus Shares	1,33,50,000	-
Closing Balance	3,21,07,014	1,38,72,600
<b>Total ₹</b>	<b>8,65,73,580</b>	<b>1,38,72,600</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

### Note : 4 LONG-TERM BORROWINGS

(Amt. in ₹)

PARTICULARS	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<u>Secured</u>		
(a) Term loans		
from banks		
Bank of Baroda-Term Loan-2601 (Secured By Hypothication of Plant & Machinery and Movable Fixed Assets)	-	12,598
Bank of Baroda TL-02820 (Secured By Hypothication of Stock & Book Debt)	35,00,000	54,57,920
CAR Loan-Innova (Secured By Respective Vehicle)	-	1,02,453
CAR Hyundai I-10 - 697 (Secured By Respective Vehicle)	3,38,200	-
	<u>38,38,200</u>	<u>55,72,971</u>
<u>Unsecured</u>		
b. Kalpesh R. Patel Loan A/c	-	-

### Note : 5 SHORT- TERM BORROWINGS

(Amt. in ₹)

PARTICULARS	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
<u>Secured</u>		
<b>Loans repayable on demand</b>		
Bank of Baroda CC-0055 (Secured By Hypothication of Stock & Book Debt)	5,65,96,288	28,89,093
Bank of Baroda TL-02820 (Secured By Hypothication of Plant & Machinery)	20,00,000	20,00,000
Bank of Baroda-Term Loan-2601 (Secured By Hypothication of Plant & MACHinery)	12,598	12,00,000
CAR Loan-Maruti ECO (Secured By Maruti Eco Car)	-	76,051
CAR Loan-Innova (Secured By Respective Vehicle)	61,691	2,40,000
WCC Bank A/c-4151 (Secured By Fixed Deposit of the Director)	-	25,679
CAR Hyundai I-10 - 697 (Secured By Respective Vehicle)	1,19,436	-
From Others	-	-
<u>Unsecured</u>		
	<u>5,87,90,013</u>	<u>64,30,823</u>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

### Note : 6 OTHER CURRENT LIABILITIES

(Amt. in ₹)

PARTICULARS	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Advance Received From Customer	69,47,904	8,86,54,543
<b>Total ₹</b>	<b>69,47,904</b>	<b>8,86,54,543</b>

### Note : 7 SHORT-TERM PROVISIONS

(Amt. in ₹)

PARTICULARS	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
(a) Provision for employee benefits Salary & wages	-	4,49,984
(b) Others	1,16,60,823	24,71,204
<b>Total ₹</b>	<b>1,16,60,823</b>	<b>29,21,188</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

### Note : 8 FIXED ASSETS

(Amt. in ₹)

Particulars	Gross Block			Residual Value	Carrying Amount	Useful Life Years	Accumulated Depreciation				Net Block		
	Balance as at 1 April 2017	Additions/ (Disposals)	Revaluations/ (Impairments)/ Capital Subsidy				Balance as at 31st March, 2018	Balance as at 1 April 2017	Depreciation charge for the Period	Adjustment due to Changed in Depreciation Method	On disposals	Balance as at 31st March, 2018	Balance as at 31st March, 2017
<b>a Tangible Assets</b>													
Furniture & Fixture	1,00,131	70,650	-	1,70,781	1,62,242	Sch-A	6,580	17,000	-	36,348	1,34,433	80,783	
Plant & Machinery	46,72,235	46,700	(2,91,000)	44,27,935	42,06,538	Sch-A	10,62,736	7,34,594	-	26,81,063	17,46,872	27,25,766	
Plant & Machinery (Renewable Energy Device manufacturing)	1,41,85,048	3,26,667	(12,09,000)	1,33,02,715	1,26,37,579	Sch-A	12,56,027	51,60,991	-	91,55,056	41,47,659	1,01,90,983	
Computer	4,57,888	3,68,719	-	8,26,607	7,85,277	Sch-A	62,254	1,87,484	-	3,41,247	4,85,360	3,04,125	
Office Equipment	8,19,276	3,21,898	-	11,41,174	10,84,115	Sch-A	1,17,757	1,93,613	-	4,42,776	6,98,398	5,70,113	
Vehicle	23,22,194	6,53,592	-	29,75,786	28,26,997	Sch-A	68,303	2,36,584	-	4,98,270	24,77,516	20,60,508	
<b>Total</b>	<b>25,56,772</b>	<b>17,88,226</b>	<b>(15,00,000)</b>	<b>2,28,44,998</b>	<b>217,02,748</b>	-	<b>25,73,657</b>	<b>65,30,265</b>	-	<b>31,54,759</b>	<b>96,90,239</b>	<b>1,59,32,278</b>	
<b>b Intangible Assets</b>													
	1,58,278	-	-	1,58,278	1,50,364	Sch-B	7,597	14,963	-	22,560	1,35,718	1,50,681	
<b>Total</b>	<b>1,58,278</b>	<b>-</b>	<b>-</b>	<b>1,58,278</b>	<b>1,50,364</b>	-	<b>7,597</b>	<b>14,963</b>	-	<b>22,560</b>	<b>1,35,718</b>	<b>1,50,681</b>	
<b>c Capital Work In Progress</b>													
<b>Total</b>													
<b>d Intangible assets under Development</b>													
<b>Total</b>													

For and on behalf of the board

**For : Solex Energy Limited**

As per our report even date attached

**For : Mistry & Shah**  
Chartered Accountants  
FRN.: 122702W

**Kalpesh Patel**  
Managing Director  
DIN - 01066992

**Kamlesh Patel**  
Director  
DIN - 07920530

**CA Nirav Mehta**  
Partner  
M.No. 116875  
Date: 07-05-2018  
Place : Anand

**CA Malav Shah**  
Partner  
M.No. 117101  
Date: 07-05-2018  
Place : Ahmedabad

**CA Vaibhav Shah**  
Chief Financial Officer  
Date: 07-05-2018

**CS Janki Sisodiya**  
Company Secretary  
Place : Anand

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018****Note : 9 OTHER NON-CURRENT ASSETS**

(Amt. in ₹)

PARTICULARS	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Miscellaneous Exps	88,920	1,55,816
<b>Total ₹</b>	<b>88,920</b>	<b>1,55,816</b>

**Note : 10 INVENTORIES**

(Amt. in ₹)

PARTICULARS	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Raw Materials and components (As Certified by Management)	66,75,425	81,42,098
Finished goods (As Certified by Management)	6,35,71,506	1,90,91,902
<b>Total ₹</b>	<b>7,02,46,931</b>	<b>2,72,34,000</b>

**Note : 11 TRADE RECEIVABLES**

(Amt. in ₹)

PARTICULARS	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	36,43,81,184	16,72,86,721
Unsecured, considered doubtful	-	-
Less: Provision for doubtful debts		
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	1,50,89,707	11,96,746
Unsecured, considered doubtful	-	-
Less: Provision for doubtful debts	-	-
<b>Total ₹</b>	<b>37,94,70,891</b>	<b>16,84,83,467</b>

Note : Aging of Subsidy directly receivable from NABARD (MNRE & GEDA) on behalf of various customers is not available. Adjusting the same on FIFO basis has resulted in Outstanding with in 6 month of ₹ 90,27,440/- and Outstanding morethan 6 Months of ₹ 46,90,143/-

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

### Note : 12 CASH AND CASH EQUIVALENTS

(Amt. in ₹)

PARTICULARS	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
a. Balances with banks	7,26,470	1,40,46,745
b. Cash on hand & Equivalent	12,13,616	13,04,459
<b>Total ₹</b>	<b>19,40,086</b>	<b>1,53,51,204</b>

### Note : 13 SHORT-TERM LOANS AND ADVANCES

(Amt. in ₹)

PARTICULARS	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Advance for Material Purchase	1,51,98,811	3,52,870
Various EMD Deposites	2,04,38,370	1,40,25,228
<b>Total ₹</b>	<b>3,56,37,181</b>	<b>1,43,78,098</b>

### Note : 14 OTHER CURRENT ASSETS

(Amt. in ₹)

PARTICULARS	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Prepaid Insurance	1,87,386	2,28,645
Advance to Staff	2,39,036	16,000
Other Advances	-	9,17,539
Balances with statutory/ govt authorities	1,92,34,402	48,83,425
<b>Total ₹</b>	<b>1,96,60,824</b>	<b>60,45,608</b>

### Note : 15 CONTINGENT LIABILITIES

(Amt. in ₹)

PARTICULARS	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Bank Guarantee	6,51,39,488	2,26,92,525
Liability on Traces	12,250	-
<b>Total Rs.</b>	<b>6,51,51,738</b>	<b>2,26,92,525</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018****Note : 16 REVENUE FROM OPERATIONS**

(Amt. in ₹)

<b>PARTICULARS</b>	<b>Year Ended 31<sup>st</sup> March, 2018</b>	<b>Year Ended 31<sup>st</sup> March, 2017</b>
Sale of Products		
Finished Goods	1,00,20,57,094	34,07,07,446
Work in Progress	-	-
Raw Material	-	-
Sale of Services		
Installation & Commissioning Charges	1,04,43,520	5,60,000
<b>Total ₹</b>	<b>1,01,25,00,615</b>	<b>34,12,67,446</b>

**Note : 17 OTHER INCOME**

(Amt. in ₹)

<b>PARTICULARS</b>	<b>Year Ended 31<sup>st</sup> March, 2018</b>	<b>Year Ended 31<sup>st</sup> March, 2017</b>
Interest on Deposit	7,76,298	828,334
Gain / Loss on Forex Transaction	1,06,866	-
Duty Drawback	44,933	-
Income Tax Adjustment	-	82
Demurrage Charges	-	13,000
Rate Difference A/c	-	25,23,992
DIC Interest	6,39,755	3,26,684
<b>Total ₹</b>	<b>15,67,852</b>	<b>36,92,092</b>

**Note : 18 COST OF MATERIALS CONSUMED**

(Amt. in ₹)

<b>PARTICULARS</b>	<b>Year Ended 31<sup>st</sup> March, 2018</b>	<b>Year Ended 31<sup>st</sup> March, 2017</b>
Inventories at the Beginning of the year	81,42,098	24,22,498
Add: Purchases during the Period	94,52,32,998	31,83,21,761
Less: inventories at the end of the Period	66,75,425	81,42,098
<b>Cost of Materials Consumed</b>	<b>94,66,99,671</b>	<b>31,26,02,161</b>

**Note : 19 CHANGES IN INVENTORIES OF FINISHED GOODS**

(Amt. in ₹)

<b>PARTICULARS</b>	<b>Year Ended 31<sup>st</sup> March, 2018</b>	<b>Year Ended 31<sup>st</sup> March, 2017</b>
Inventories at the beginnig of the year	1,90,91,902	22,29,865
Inventories at the end of the Period	6,35,71,506	1,90,91,902
<b>Total ₹</b>	<b>(4,44,79,604)</b>	<b>(1,68,62,037)</b>



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

### Note : 20 EMPLOYEE BENEFITS EXPENSE

(Amt. in ₹)

PARTICULARS	Year Ended 31 <sup>st</sup> March, 2018	Year Ended 31 <sup>st</sup> March, 2017
Salary Exps	68,93,349	61,75,098
Staff Welfare expenses	17,862	1,04,135
Staff Bonus Exps.	1,64,121	-
Directors Remuneration	10,60,000	7,16,860
<b>Total ₹</b>	<b>81,35,332</b>	<b>69,96,093</b>

### Note : 20.1 TRANSACTION WITH RELATED PARTY

(Amt. in ₹)

PARTICULARS	Year Ended 31 <sup>st</sup> March, 2018	Year Ended 31 <sup>st</sup> March, 2017
<b>Directors</b>		
<b>Remuneration</b>		
Kalpesh Patel	8,50,000	7,16,860
Sankar Ray	2,10,000	-
<b>Relatives of Directors</b>		
<b>Salary</b>		
Mallika Ray	1,80,000	-
<b>Key Management Personnel</b>		
<b>Salary</b>		
Vaibhav Shah	1,41,772	-
Janki Sisodiya	1,00,258	-
<b>Total ₹</b>	<b>14,82,030</b>	<b>7,16,860</b>

#### Notes :

Mr. Sankar Ray was appointed as Whole Time Director of the Company w.e.f. 24.10.2017 & resigned from the same position w.e.f. 08.02.2018.

Mr. Kamlesh patel was appointed as an Independent Director of the Company dated on 24.10.2017.

Mr. Vaibhav Shah was appointed as Chief Financial Officer of the Company w.e.f. 14.10.2017

Ms. Janki Sisodiya was appointed as Company Secretary of the Company w.e.f. 25.08.2017

### Note : 21 FINANCE COSTS

(Amt. in ₹)

PARTICULARS	Year Ended 31 <sup>st</sup> March, 2018	Year Ended 31 <sup>st</sup> March, 2017
Bank Charges	4,65,110	13,21,174
Bank Gurantee Charges	29,13,741	-
Interest On Car Loan	31,946	56,796
Interest On CC	37,09,574	32,21,558
Interest On FD/OD	12,482	1,16,845
Interest On Term Loan	8,26,795	13,26,948
Remittance Charges	-	40,286
<b>Total ₹</b>	<b>79,59,648</b>	<b>60,83,607</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018****Note : 22 OTHER EXPENSES**

(Amt. in ₹)

PARTICULARS	Year Ended 31 <sup>st</sup> March, 2018	Year Ended 31 <sup>st</sup> March, 2017
<b><u>Manufacturing Expenses</u></b>		
Freight Expenses	27,72,357	16,85,425
Production Expenses	79,22,505	62,51,369
Custom Duty	2,54,016	3,60,537
<b><u>Administrative Expenses</u></b>		
Insurance Exps	4,42,824	2,08,721
Auditor's Remuneration	2,05,000	75,000
Rent Expense	12,50,500	8,44,000
Advertisement Exps	4,04,929	1,36,914
Business Promotion Expense	-	3,500
Commission On Sales	5,69,249	33,59,600
Computer & Printer Exps	90,019	49,653
Net Meter Charges	36,989	-
Financial Analysis & Rating Expense	-	86,750
Hospitality Expense	-	52,445
Kasar & Discount	4,50,932	5,58,852
Solar Grading Expense	-	46,000
Legal & Professional fees	8,68,688	9,74,275
Service tax Expense	18,295	1,84,707
Telephone & Mobile Exps	1,84,001	86,832
VAT/CST/Service/Professional tax Interest	85,373	1,127
GIDC Charges	82,854	67,005
Interest on Others	11,705	4,021
Donation Exp	15,500	5,501
VAT Exps	-	70,925
Membership fess	1,23,270	1,98,768
Loading & Unloading Exps	68,152	60,323
Late Delivery Charges	6,64,888	-
Office Exps	3,57,433	53,252
Petrol & Diesel Exps	98,904	41,320
Post & Courier Exps	66,312	1,01,204
Printing & Stationery Exps	1,38,018	1,23,364
Penalty for Excess Construction	-	1,55,128
Penalty on CST / VAT / Service Tax	-	4,09,875
Repair & Maintainance Exps	2,48,421	1,71,889
Stores & Consumable Exps	2,71,460	3,37,207
Annual Maintenance Charges Prov.	2,52,79,717	-
Tender Fees	3,07,700	6,07,184
Tally Net Subscription Charges	43,470	3,600
Travelling Exps	11,47,051	8,43,927
Exhibition Expense	4,13,176	1,19,200
Water Charges	4,155	1,962
Web Hosting Charges	56,935	44,245
Miscellaneous expenditure written off during the Period	66,896	64,372
Exps. On Increase of Authorised Capital	3,75,000	-
<b>Total ₹</b>	<b>4,53,96,693</b>	<b>1,84,49,979</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

### Note : 22.1 AUDITOR'S REMUNARATION

(Amt. in ₹)

PARTICULARS	Year Ended 31 <sup>st</sup> March, 2018	Year Ended 31 <sup>st</sup> March, 2017
Payments to the auditor as		
a. auditor	3,25,000	45,000
b. for taxation matters	25,000	30,000
c. for company law matters	-	-
d. for management services	-	-
e. for other services	2,75,000	-
f. for reimbursement of expenses	-	-
<b>Total ₹</b>	<b>6,25,000</b>	<b>75,000</b>

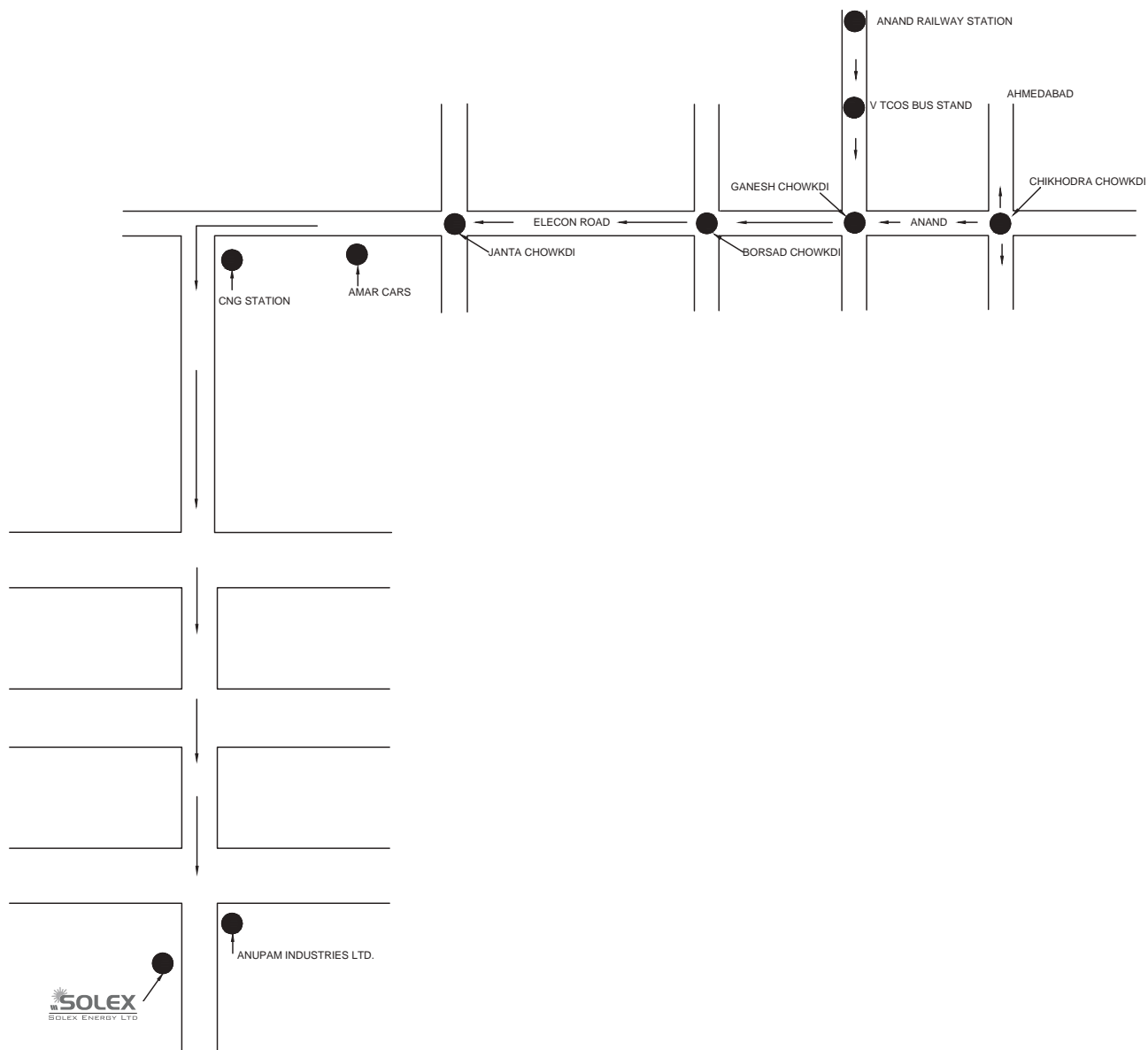
### Note : 22.2 TRANSACTION WITH RELATED PARTY

(Amt. in ₹)

PARTICULARS	Year Ended 31 <sup>st</sup> March, 2018	Year Ended 31 <sup>st</sup> March, 2017
<b>Purchase of Computers &amp; related services</b>		
Kamlesh Patel - Pramukh System	2,11,413	-
<b>Rent</b>		
Kalpesh patel	11,20,000	8,40,000
<b>Total ₹</b>	<b>13,31,413</b>	<b>8,40,000</b>

**Notes :** Mr. Kamlesh Patel was appointed as Independent Director of the Company w.e.f. 24.10.2017

### Road Map of the AGM Venue



## ATTENDANCE SLIP

Please complete attendance slip and hand it over at the entrance of the Meeting hall. Joint shareholders may obtain additional slip on request.

Attendance by (Please tick appropriate box)	
<input type="checkbox"/> Member/Shareholder <input type="checkbox"/> Proxy <input type="checkbox"/> Authorized Representative	Name of Shareholder Address:  Folio no./DP ID: No. of Shares held:

### FORM NO. MGT-11 Proxy Form

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name and Address of the Shareholder (In block letters)	
E mail Id:	Registered Folio No.:
No. of Shares held :	DPID & Client ID:

I/We, being the member(s) of ..... Shares of the above named Company, hereby appoint.

1. Name :  
Address :  
Email ID: \_\_\_\_\_ Signature :..... or failing him
  
2. Name :  
Address :  
Email ID: \_\_\_\_\_ Signature :..... or failing him
  
3. Name :  
Address :  
Email ID: \_\_\_\_\_ Signature :..... or failing him

as my/ our Proxy to vote (on a poll) for me/ us and on my/ our behalf at 4<sup>th</sup> Annual General Meeting to be held on, 17<sup>th</sup> July, 2018 at 02.30 p.m. at its Registered Office and at any adjournment thereof in respect of all resolutions proposed to be passed therein as under:

Resolution No.	Resolution Details	I assent to the resolution	I dissent from the resolution
<b>Ordinary Business:</b>			
1.	Adoption of Financial Statements for the year 2017-18, together with the Reports of the Auditor and the Board thereon.		
2.	Declaration of Dividend on Equity Shares for the year 2017-18.		
3.	Appointment of Director in place of Ms. Ridhi Kalpeshkumar Patel Director, who retires by rotation and being eligible, has offered herself for reappointment		
4.	Appointment of the Statutory Auditors including authorization to the Board of Directors for fixing their remuneration.		
<b>SPECIAL BUSINESS:</b>			
5.	To change in terms of appointment of Mr. Kalpeshkumar Ramanbhai Patel.		
6.	To appointment of Mrs. Dharaben Dharmeshkumar Patel as Non-Executive Director.		
7.	To appointment of Mr. Vijaykumar Savjibhai Virpara as an Independent Director.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2018

Signature of shareholder(s) : \_\_\_\_\_

Signature of Proxy holder(s) : \_\_\_\_\_



- Notes :**
1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
  2. For the resolutions, Explanatory Statement and Notes, please refer to the Notice of the 4<sup>th</sup> Annual General Meeting.







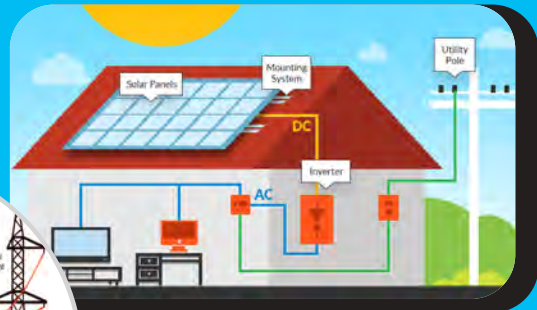
# SOLEX™

## SOLAR POWER SHINES

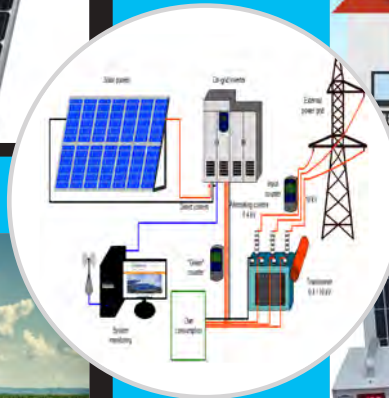
### MFG.OF



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**SOLAR ROOFTOP SYSTEMS**



**SOLAR WATER PUMPING SYSTEMS  
(SUBMERSIBLE AND SURFACE PUMP)**



**SOLAR LIGHTING SYSTEMS**

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Vitthal Udyognagar - 388121, Anand, Gujarat, India.  
Phone : +91 2692 230317, Fax : +91 2692 231216  
E-mail : solexin14@gmail.com | info@solex.in | Website : www.solex.in