

# WHAT WE HOPE TO ACHIEVE

## VISION 2020

*"To be the most preferred & Trusted names, respected by customers."*

## MISSION

### ***For Customers:***

*To deliver the finest product and service experience, backed by innovation, people and processes.*

### ***For Employees:***

*To nurture a working environment that fosters personal and professional growth.*

### ***For Shareholders:***

*To generate sustainable long term returns on investment with focus on transparency and accountability.*

### ***For Vendors:***

*To create symbiotic relationships that drives mutual growth.*

### ***For Community:***

*Contribute to community growth through education, skills development and sustainable green practices.*

**CORPORATE INFORMATION**

**BOARD OF DIRECTORS**

Shri Yogesh Kumar Gupta  
Chairman & Managing Director

Shri KamalJeet Singh Jaswal  
Whole Time Director

Shri Sanjay Arora  
Independent Director

Shri Nikhil Kanwar  
Independent Director

Smt. Sangeeta Jaryal  
Independent Director

**CHIEF FINANCIAL OFFICER**

Shri KamalJeet Singh Jaswal

**COMPANY SECRETARY &  
COMPLIANCE OFFICER**

Shri Lavan Raheja

**AUDITORS**

D M A R K S & ASSOCIATES

Chartered Accountants

Firm Registration No. 006413N

**BANKERS**

Punjab National Bank

Bhikaji Cama Place, Africa Ave,

New Delhi, Delhi 110066

**TRANSFER AGENTS**

Bigshare Services Private  
Limited.

E4/8, Block E 4, Jhandewalan

Extension, Jhandewalan, New

Delhi, Delhi 110055

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# STARLIT™

**STARLIT POWER SYSTEMS LIMITED**

**CIN - L37200DL2008PLC174911**

**Registered Office - A-1/51, LGF, Safdarjung Enclave, South Delhi-110029**

## **NOTICE**

### **11<sup>th</sup> ANNUAL GENERAL MEETING**

**NOTICE** IS HEREBY GIVEN THAT THE ELEVENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF STARLIT POWER SYSTEMS LIMITED WILL BE HELD ON WEDNESDAY, THE 25<sup>TH</sup> DAY OF SEPTEMBER 2019 AT 09:30 A.M. AT HOTEL WAVES, A-272, MAHIPALPUR EXTN. NATIONAL HIGHWAY NO-8. NEW DELHI - 110 037, TO TRANSACT THE FOLLOWING BUSINESSES:

#### **Ordinary Business**

1. To consider and adopt (a) the audited financial statement of the company for the financial year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon and (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2019 and the report of Auditors there on and in this regard, pass the following resolution as **Ordinary Resolution**:
  - a) **“RESOLVED THAT** the audited financial statement of the company for the financial year ended March 31, 2019 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”
  - b) **RESOLVED THAT** the auditor consolidated financial statement of the Company for the financial year ended March 31, 2019 and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted.
2. To appoint Shri. Kamaljeet Singh Jaswal (DIN: 02340493), who retires by rotation as a Director and being eligible, offers himself for reappointment, and in this regard pass the following resolution as an **ORDINARY RESOLUTION**:

**“RESOLVED THAT** pursuant to provision of Section 152 of the Companies Act, 2013 Shri. Kamaljeet Singh Jaswal (DIN: 02340493), who retires by rotation at this meeting be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

#### **Special Business**

3. To re-appoint Shri. Kamaljeet Singh Jaswal (DIN: 02340493) as Whole Time Director and in this regard, to pass the following resolution as an **SPECIAL RESOLUTION**.

**“RESOLVED THAT** in accordance with the provisions of Section 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the members be and is hereby accorded to re-appoint Shri. Kamaljeet Singh Jaswal (DIN: 02340493), as Whole Time Director of the company, for a period of 5 (five) years i.e. with effect from September 25, 2019 till 24 September, 2024, on the terms and conditions including remuneration as set out in Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include Human Resources, Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Shri. Kamaljeet Singh Jaswal .

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

4. To Regularise the Appointment of Mr. Nikhil Kanwar as an Independent Non Executive Director and in this regard, to pass the following resolution as a **SPECIAL RESOLUTION**.

**“RESOLVED THAT** pursuant to the provisions of Sections 149 , 152 and any other applicable provisions of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013, approval of the members of the company be and is hereby given to the appointment of Mr. Nikhil Kanwar (DIN: 08288768), who was appointed by the Board of Directors as an Additional Non Executive Independent Director of the Company with effect from November 28, 2018 pursuant to the provisions of section 161(1) of the Companies Act, 2013 and pursuant to the applicable Articles of Association of the company, and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and who has submitted a declaration that he meets the criteria of the independent directorship as provided in section 149(6) of the Act and he is not debarred from holding the office of director by virtue of any SEBI order or any other such authority, who is eligible for appointment, on recommendation of the Nomination and Remuneration Committee, be and is hereby appointed as an Independent Non Executive Director of the Company, who shall hold office for a period of five years from the date of appointment and whose office shall not, henceforth, be liable to retire by rotation.

**RESOLVED FURTHER THAT** to give effect to this resolution the Board of Directors be and are hereby authorised to do all the acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

5. To re-appoint Shri. Sanjay Arora (DIN: 05337421) as Independent Director and in this regard, to pass the following resolution as a **SPECIAL RESOLUTION**.

**“RESOLVED THAT** pursuant to the provisions of Sections 149 , 152 and any other applicable provisions of the Companies Act, 2013 and rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013, and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 approval of the members of the company be and is hereby given to re-appointment of Shri. Sanjay Arora (DIN: 05337421) as an Independent Director of the Company for a period of five years with effect from 13<sup>th</sup> January, 2020, or till such earlier date to conform with the policy on retirement and as may be determined by any applicable statutes, rules, regulations or guidelines.”

**RESOLVED FURTHER THAT** to give effect to this resolution the Board of Directors be and are hereby authorised to do all the acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

6. **To Appoint Shri Yogesh Kumar Gupta as a Director of the company and in this regard to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:**

**“RESOLVED THAT** Mr. Yogesh Kumar Gupta (DIN: 00315397), who was appointed by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, as an Additional Director of the Company effective July 03, 2019 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 and any other applicable provisions, if any, of the Companies Act, 2013 (‘Act’) (including any modification or re-enactment thereof) and Article 121 of the Articles of Association of the Company and who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

7. To appoint Shri. Yogesh Kumar Gupta as Chairman Cum Managing Director and in this regard, to pass the following resolution as an **ORDINARY RESOLUTION**.

“**RESOLVED THAT** in accordance with the provisions of Section 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the members be and is hereby accorded to appoint Shri. Yogesh Kumar Gupta as Chairman Cum Managing Director of the company, for a period of 5 (five) years, i.e. with effect from July 3, 2019 till July 2, 2024, on the terms and conditions including remuneration as set out in Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include Human Resources, Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and / or remuneration as it may deem fit and as may be acceptable to Shri. Yogesh Kumar Gupta.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

8. To consider and if thought fit to pass the following resolution with or without modification as a **Special Resolution**:

“**RESOLVED THAT** consent of shareholders of the company be and is hereby accorded, pursuant to Section 180(1)(a) and other applicable provisions if any, of the Companies Act, 2013, to the Board of Directors of the Company to pledge, mortgage, hypothecate and/or charge all or any part of the moveable or immovable properties of the Company and the whole or part of the undertaking of the Company of every nature and kind whatsoever and/or creating a floating charge in all or any movable or immovable properties of the Company and the whole of the undertaking of the Company to or in favour of banks, financial institutions, investors and any other lenders or debenture trustees to secure the amount borrowed by the Company or any third party from time to time for the due payment of the principal and/or together with interest, charges, costs, expenses and all other monies payable by the Company or any third party in respect of such borrowings provided that the aggregate indebtedness secured by the assets of the Company does not exceed Rs. 100.00 Crores (Rupees Hundred Crores) at any time.”

“**RESOLVED FURTHER THAT** the Board of Directors of the company be and are hereby authorized authorised to finalise with Banks/Financial Institutions the documents for creating aforesaid mortgage and/or the charge and to do all such acts, deeds, matters and things as may be necessary, proper and expedient or incidental for giving effect to this resolution.”

9. To consider and if thought fit to pass the following resolution with or without modification as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 62(3) and other applicable provisions, if any, of the Companies Act, 2013 read together with the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification or re-enactments thereto) guidelines prescribed by the Government of India, RBI Circular dated June 8, 2015 and all amendments thereto, applicable provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any modifications thereto and all other applicable laws, the consent of the members of the Company be and is hereby accorded to the Board for issue and allotment of such number of equity shares of the Company of face value of Rs. 10/- (Rupees Ten only) each to Starlit Finance Limited, Starlit Infrastructure Limited, RDB Realty & Infrastructure Limited & Shri Sachin Shridhar, (hereinafter referred as “Lenders”) at a price as per applicable laws, which shall not exceed the amount of principal and interest outstanding to the lenders as on the date of conversion, by issuance of a conversion notice setting out the details of conversion of outstanding amounts due to the lenders (“Notice of Conversion”), on the following terms:

(i) On receipt of the Notice of Conversion, the Company shall allot and issue the requisite number of fully paid-up Equity Shares to lenders and lenders shall accept the same in satisfaction of the outstanding dues to lenders from the Company;

(ii) The part of the said financial facilities so converted shall cease to carry interest as from the date of conversion and the said financial facilities shall stand correspondingly reduced

(iii) The Equity Shares so allotted and issued to lenders shall rank *pari passu* with the existing equity shares of the Company in all respects, *inter alia* with respect to dividends and other distributions declared or to be declared in respect of the equity capital of the Company;

(iv) In the event that Lenders exercises its conversion right as aforesaid, the Company shall ensure that the equity shares issued on conversion are listed on the stock exchanges, where the Company's shares are listed.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorised to take from time to time all decisions and such steps as may be necessary."

10. To consider and approve Loans, Investments, Guarantee or Security under Section 185 of Companies Act, 2013 & if thought fit, to pass with or without modification(s), the following resolution(s) as a **SPECIAL RESOLUTION**.

**"RESOLVED THAT** pursuant to the provisions of Section 185 of the Companies Act, 2013, as amended by the Companies (Amendment) Act, 2017, approval of members of the Company be and is hereby accorded for making of loan(s) including loan represented by way of Book Debt (the "Loan") to, and/or giving of guarantee(s), and/or providing of security(ies) in connection with any Loan to be taken by any entity being entities covered under the category of 'a person in whom any of the director of the company is interested' as specified in the explanation to Sub section 2 of the said Section, of an aggregate amount not exceeding 10 Crores (Rupees Ten Crores only) per annum, respectively for each entity in their absolute discretion deem beneficial and in the interest of the Company, provided that such loans are utilized by the borrowing company for its principal business activities."

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any committee thereof) be and is hereby authorized to negotiate, finalise and agree to the terms and conditions of the aforesaid Loan/ Guarantee/ security, and to take all necessary steps, to execute all such documents, instruments and writings and to do all necessary acts, deed and things in order to comply with all the legal and procedural formalities and to do all such acts, deeds or things incidental or expedient thereto and as the Board may think fit and suitable."

11. To consider and if thought fit to pass the following resolution with or without modification as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013 ("the Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions, if any, of the Act (including any modification or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include, unless the context otherwise requires, any committee of the Board or any officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution), to (i) give any loan to any person or other body corporate; (ii) give any guarantee or provide any security in connection with a loan to any other body corporate or person and (iii) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, as they may in their absolute discretion deem beneficial and in the interest of the Company, subject however that the aggregate of the loans and investments so far made in and the amount for which guarantees or securities have so far been provided to all persons or bodies corporate along with the additional investments, loans, guarantees or securities proposed to be made or given or provided by the Company, from time to time, in future, shall not exceed a sum of 100 Crores (Rupees Fifty Crores only) over and above the limit of 60% of the paid-up share capital, free reserves and securities premium account of the Company or 100% of free reserves and securities premium account of the Company, whichever is more, as prescribed under Section 186 of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors (or a Committee thereof constituted for this purpose) be and is hereby authorized to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

**By Order of the Board of Directors  
For Starlit Power Systems Limited**

**Lavan Raheja**  
Company Secretary  
M.No - 55438  
Delhi, August 13, 2019

## Notes:

1. A Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act"), relating to the Special Business to be transacted at the Annual General Meeting ("Meeting") is annexed hereto. The relevant details, pursuant to Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of

Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this Annual General Meeting (“AGM”) are also annexed.

- 2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

*A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10 percent of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10 percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.*

3. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.  
4. Corporate members intending to send their authorised representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting.

#### VOTING THROUGH ELECTRONIC MEANS

- 5. The Company is providing facility for voting by electronic means (e-voting) through an electronic voting system which will include remote e-voting and the business set out in the Notice will be transacted through such voting.**

- Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote by electronic means. As an alternative to vote physically at the AGM, and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL)
- Similarly, members opting to vote physically can do the same by remaining present at the meeting and should not exercise the option for e-voting. However, in case Members cast their vote exercising both the options, i.e. physically and e-voting, then votes casted through e-voting shall only be taken into consideration and treated valid whereas votes casted physically at the meeting shall be treated as invalid. The instructions for e-voting are as under, Members are requested to follow the instructions given below to cast their vote through e-voting:
  - (i) The voting period begins on September 22, 2019 at 10:00 AM and ends on September 24, 2019 at 5:00 PM. 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 September 19, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - (iii) Click on Shareholders/Members.
  - (iv) Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - (v) Next enter the Image Verification as displayed and Click on Login.
  - (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
  - (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0’s before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on “SUBMIT” tab.



- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Starlit Power Systems Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- In case of members receiving the physical copy:**
- (A) Please follow all steps from sl. no. (i) to sl. no. (xix) above to cast vote.
- (B) The voting period begins on September 22, 2019 at 10:00 AM and ends on September 24, 2019 at 5:00 PM. 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 September 19, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
6. In terms of the provision of section 152 of the Act, Shri Kamaljeet Singh Jaswal, Director, retire by rotation at the Meeting. Human resource, Nomination and Remuneration Committee and the Board of Directors of the Company command his respective re-appointment.
  7. The requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of Appointment of Auditors, who were appointed in the Annual General Meeting held on September 28, 2017.
  8. Members / Proxies / Authorised representatives are requested to bring to the Meeting necessary details of their shareholding, attendance slip(s) and copies of Annual Report. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
  9. The Register of Members and Share Transfer Books of the Company will remain closed from 21<sup>st</sup> September, 2019 to 25<sup>th</sup> September, 2019 (both days inclusive) for the purpose of the AGM.

10. Members are requested to notify any change in their address/mandate/ bank details immediately to the Share Transfer Agent of the Company.
11. Members desiring any information as regards the Accounts are requested to write to the Company at least 10 days prior to the date of meeting so as to enable the management to keep the information ready.
12. In line with measures of Green Initiative taken by the Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively) and Companies Act, 2013 also provides for sending notice of the meeting and other shareholder correspondences through electronic mode. Members holding shares in physical mode are requested to register their e-mail ID's with Register and share transfer agent (RTA) of the company and Members holding shares in demat mode are requested to register their e-mail ID's with their respective Depository Participants (DPs).
13. Section 20 of the Companies Act, 2013, as amended from time to time, permits service of documents on Members by a company through electronic mode. Hence, in accordance with the Companies Act, 2013 read with the Rules framed thereunder, as amended, the Integrated Report 2018-19 is being sent through electronic mode to those Members whose email addresses are registered with the Company/Depository Participant unless any Member has requested for a physical copy of the Report. For Members who have not registered their email addresses, physical copies of the Integrated Report 2018-19 are being sent by the permitted modes. Members may note that Integrated Report 2018-19 will also be available on the Company's website <https://www.starlitpower.com/>
14. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of September 19, 2019.
15. Please note, only a person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date shall be entitled to avail the facility of voting, either through remote e-voting or voting at the Annual General Meeting through e-voting.
16. The board of directors has appointed Mr. Nakul Pratap Singh (Membership No. 55529 and CP No. 22069) of M/s NPS and Associates as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
17. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in presence of at least two witnesses not in the employment of the company and make, not later than 48 hours of conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the chairman or a person authorized by him in writing who shall countersign the same.
18. The results declared along with the Scrutinizer's Report shall be placed on the website of CDSL and website of Starlit Power Systems Limited immediately after the result is declared by the Chairman and will be communicated to The Bombay Stock Exchange (BSE) The results shall also be displayed on the notice board at the Registered Office of the Company.

**By Order of the Board of Directors  
For Starlit Power Systems Limited**

**Lavan Raheja**  
Company Secretary  
M.No - 55438

Delhi, August 13, 2019

## Statement pursuant to Section 102(1) of the Companies Act, 2013

### Item No. 3

The Board of Directors of the Company ("Board"), at its meeting held on August 13, 2019 has, subject to the approval of members, re-appointed Shri Kamaljeet Singh Jaswal as an Whole Time Director, for a period of 5 (five) years, i.e. with effect from September 25, 2019 till 24 September, 2024, on the terms and conditions including remuneration as recommended by the Human Resources, Nomination and Remuneration Committee ("HRNR Committee") of the Board and approved by the Board.

It is proposed to seek member's approval for the re-appointment of and remuneration payable to Shri Kamaljeet Singh Jaswal as Whole Time Director of the Company, in terms of the applicable provisions of the Act.

Broad particulars of the terms of re-appointment of, and remuneration payable to, Shri Kamaljeet Singh Jaswal are as under:

a) Salary, Perquisites and Allowances per annum:

Particulars	(Rs in lakh)
Salary	6,96,000

b) The Company's contribution to provident fund, superannuation or annuity fund, gratuity payable and encashment of leave, as per the rules of the Company.

c) Any increment in salary, perquisites, and allowances and remuneration based on net profits payable to Shri Kamaljeet Singh Jaswal as may be determined by the Board and / or the HRNR Committee of the Board, shall be in addition to remuneration under (a) above.

d) Reimbursement of Expenses:

Expenses incurred for travelling, boarding and lodging including for spouse and attendant(s) during business trips and provision of car(s) for use on Company's business and communication expenses shall be reimbursed at actual and not considered as perquisites.

Shri Kamaljeet Singh Jaswal is interested in the resolution set out at Item No. 3 of the Notice. The other relatives of Shri Kamaljeet Singh Jaswal may be deemed to be interested in the said resolution of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board commends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the members.

### Item No. 4

Based on the recommendation of the Human Resources, Nomination and Remuneration Committee, ("HRNR Committee") the Board of Directors appointed Shri. Nikhil Kanwar (DIN: 08288768) as Additional Director of the Company and also as Independent Director, not being liable to retire by rotation, for a term of 5 years i.e. from 28<sup>th</sup> November 2018 upto 27<sup>th</sup> November 2023, subject to approval of the Members.

Pursuant to the provisions of Section 161(1) of the Act and provisions of the Articles of Association of the Company, Shri Nikhil Kanwar holds office only upto the date of this Annual General Meeting (AGM) and is eligible to be appointed as Director. The Company has received Consent of director in writing, proposing his candidature for the continuing his office of Director. The Board believes that his experience and vision will contribute to the growth of the Company and also in steering the Company with best Corporate Governance practices.

A brief profile of Shri Nikhil Kanwar is as under:

Mr. Nikhil Kanwar is a self-made entrepreneur who is based out of Himachal Pradesh. He has interests in Engineering, Procurement and Construction of Roads and buildings and his expertise involves construction in far flung mountainous areas under difficult terrains and hostile climate in the remote areas of Chamba. He also has interests in Horticulture, Real Estate. He is a hard-core field and project execution man who has built his business by the dint of his hard work and discipline.

It is proposed to seek member's approval for the regularization of Shri. Nikhil Kanwar and sitting fees payable to Shri. Nikhil Kanwar as Non executive Independent Director of the Company, in terms of the applicable provisions of the Act.

Broad particulars of the terms of regularization of, Shri Nikhil Kanwar are as under:

The perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income-tax Act, 1961 or any rules there under or any statutory modification(s) or re-enactment thereof; in the absence of any such rules, perquisites and allowances shall be evaluated at actual cost

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board commends the Special Resolution set out at Item No. 4 of the Notice for approval by the members.

### Item No. 5

The Members of the Company on 12th September, 2014 approved the appointment of Shri. Sanjay Arora (DIN: [05337421](#)), as Independent Directors of the Company for a period of five years with effect from 13th January, 2015. Shri. Sanjay Arora (DIN: [05337421](#)) will complete his

respective terms on 12th January, 2020.

The Board of Directors of the Company ('the Board') at the meeting held on 13th August, 2019, on the recommendation of the Nomination & Compensation Committee ('the Committee'), recommended for the approval of the Members, the re-appointment of Shri. Sanjay Arora as Independent Directors of the Company with effect from 20th January, 2020, in terms of Section 149 read with Schedule IV of the Companies Act, 2013 ('the Act'), and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations 2015'), as set out in the Resolutions relating to their respective re-appointment.

The Committee and the Board are of the view that, given the knowledge, experience and performance of Shri. Sanjay Arora, and contribution to Board processes by them, his continued association would benefit the Company. Declarations have been received from Shri. Sanjay Arora that they meet the criteria of Independence prescribed under Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16 of the Listing Regulations 2015. In the opinion of the Board, Shri. Sanjay Arora fulfil the conditions specified in the Act, the Rules thereunder and the Listing Regulations 2015 for re-appointment as Independent Director and he is independent of the management of the Company. In addition to coverage under Personal Accident Insurance and sitting fees for attending the meetings of the Board and its Committees.

Consent of the Members by way of Special Resolution is required for re-appointment of Shri. Sanjay Arora, in terms of Section 149 of the Act. Additional information in respect of Shri. Sanjay Arora to the Listing Regulations 2015 and the Secretarial Standard on General Meetings, is appearing in the Report and Accounts under the sections 'Your Directors' and 'Report on Corporate Governance'. Shri. Sanjay Arora do not hold any share in the Company, either in their individual capacity or on a beneficial basis for any other person.

Shri. Sanjay Arora, and their relatives, are interested in the Special Resolutions relating to his respective re-appointment. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in these Special Resolutions.

The Board recommends these Special Resolutions for your approval.

#### **Item No. 6 & 7**

Pursuant to the provisions of section 152 and all other applicable provision, if any, read with the rules framed thereunder the Board on their meeting held on July 03, 2019 on the recommendation of Nomination and Remuneration Committee had appointed Shri. Yogesh Kumar Gupta as an additional director. Now the Board recommends appointment of Shri. Yogesh Kumar Gupta (DIN: [00315397](#)) as Chairman Cum Managing Director of the Company liable to retire by rotation.

Shri. Yogesh Kumar Gupta (DIN: [00315397](#)), is a Civil Engineer with specialisation in Environmental Engineering. He is having extensive professional experience of 25 years and has demonstrated entrepreneurial ability in setting up manufacturing plant, execution of environmental infrastructure projects and rendering consultancy services to industries & government institutions. He is currently heading Battery Manufacturing, Resource Recycling and Renewable Energy vertical after having worked under Government Sector and Private Sector Organisations.

He has previously served National Productivity Council (Ministry of Commerce and Industry, Government of India) as Deputy Director in Environment Division and M/s Ramky Enviro Engineers Ltd as General Manager (Technical). Mr Gupta has Masters Degree in Environmental Engineering and Bachelors Degree in Civil Engineering. He has travelled widely within country and abroad including USA, Germany, Warsaw, Singapore, Switzerland, Japan, South Korea etc for professional exchange of information and business development. He has excellent exposure of International practices in resource recycling & waste management.

The Board at the aforesaid meeting, on the recommendation of the Committee, also recommended for the approval of the Members, the appointment of Shri Yogesh Kumar Gupta as Chairman Cum Managing Director of the Company, as set out in the Resolution relating to his appointment, on the following remuneration:-

(I) Basic / Consolidated Salary – ` 1,15,000/- per month.

(II) Performance Bonus – Not exceeding 100% of Basic / Consolidated Salary, payable annually for each financial year, as may be determined by the Board.

(III) Perquisites – In addition to the aforesaid Basic / Consolidated Salary and Performance Bonus, Shri Yogesh Kumar Gupta shall be entitled to perquisites like gas, electricity, water, furnishings, leave travel concession for self and family, club fees, personal accident insurance, sampling of the Company's products and services etc. in accordance with the rules of the Company, the monetary value of such perquisites being limited to 1,00,000/- per annum, for the purposes of which limit perquisites shall be valued as per the provisions of the Income-tax Act and the Rules thereunder, wherever applicable, and in absence of any such provision, perquisites shall be valued at actual cost. Consent has been filed by Shri Yogesh Kumar Gupta pursuant to Section 152 of the Act. Additional information in respect of Shri Yogesh Kumar Gupta, pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard on General Meetings, is appearing in the Report and Accounts under the sections 'Your Directors' and 'Report on Corporate Governance'.

Shri Yogesh Kumar Gupta and his relatives are interested in these Resolutions. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in these Resolutions.

The Board recommends these Resolutions for your approval.

**Item No. 8**

Keeping in view the Company's existing and future financial requirements to support its business operations, the Company needs additional funds. For this purpose, the Company is desirous of raising finance from various Banks and/or Financial Institutions and/or any other lending institutions and/or Bodies Corporate and/or such other persons/ individuals as may be considered fit, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in ordinary course of business) may exceed the aggregate of the paid-up capital and the free reserves of the Company. Hence it is proposed to increase the maximum borrowing limits upto Rs. 100.00 Crores (Rupees One Hundred Crores only). Pursuant to Section 180(1)(c) of the Companies Act, 2013, the Board of Directors cannot borrow more than the aggregate amount of the paid-up capital of the Company and its free reserves at any one time except with the consent of the members of the Company.

In order to facilitate securing the borrowing made by the Company, it would be necessary to create charge on the assets or whole or part of the undertaking of the Company. Section 180(1)(a) of the Companies Act, 2013 provides for the power to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company subject to the approval of members. None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested in the passing of the Resolution.

**Item No. 9**

Keeping in view the Company's existing and future financial requirements to support its business operations, the Company needs additional funds. For this purpose, the Company is desirous of raising finance from Starlit Finance Limited, Starlit Infrastructure Limited, RDB Realty & Infrastructure Limited & Shri Sachin Shridhar, (hereinafter referred as "Lenders") wherein the Lenders has agreed to sanction financial facilities aggregating to Rs. 20 crores, subject to the terms and conditions that the Company to issue and allot equity shares to its lenders, in satisfaction of the outstanding loans along with interest and other amounts due thereon. Members' approval is being sought under Section 62(3) of the Companies Act, 2013 read together with the Companies (Share Capital and Debentures) Rules, 2014 to authorize the Board to convert outstanding debt to equity shares of the Company in accordance with the relevant RBI Regulations and also for issue and allotment of shares to Lenders as and when Lenders exercises the right of conversion pursuant to the Loan Agreement.

None of the Directors or Key Managerial Personnel of the Company or their respective relatives, is in any way concerned or interested in the said resolution.

**Item No. 10**

The Company is expected to render support for the business requirements of other companies in the group, from time to time. However, owing to certain restrictive provisions contained in the Section 185 of the Companies Act, 2013, the Company was unable to extend financial assistance by way of loan, guarantee or security to other entities in the Starlit Group. In the light of amendments notified effective May 7, 2018, inter-alia replacing the provisions Section 185 of Companies Act, 2013, the Company with the approval of members by way of special resolution, would be in a position to provide financial assistance by way of loan to other entities in the group or give guarantee or provide security in respect of loans taken by such entities, for their principal business activities.

The members may note that board of directors would carefully evaluate proposals and provide such loan, guarantee or security proposals through deployment of funds out of internal resources / accruals and / or any other appropriate sources, from time to time, only for principal business activities of the entities in the Starlit Group. Hence, in order to enable the company to advance loan to Subsidiaries/ Joint Ventures /associates/ other Companies/ Firms in which Directors are interested directly or indirectly under section 185 of the Companies Act, 2013 requires approval of members by a Special Resolution.

The Board of Directors Recommend the Special Resolution for approval by the members. All the Directors except for the Independent Directors are concerned or interested in the aforesaid resolution, financially or otherwise.

**Item No. 11**

The Company has been making investments in, giving loans and guarantees to and providing securities in connection with loans to various persons and bodies corporate (including its subsidiary) from time to time, in compliance with the applicable provisions of the Act. The provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as

amended to date, provides that no company is permitted to, directly or indirectly, (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more. Further, the said Section provides that where the giving of any loan or guarantee or providing any security or the acquisition as provided under Section 186(2) of the Act, exceeds the limits specified therein, prior approval of Members by means of a Special Resolution is required to be passed at a general meeting.

In view of the above and considering the long term business plans of the Company, which requires the Company to make sizeable loans / investments and issue guarantees / securities to persons or bodies corporate, from time to time, prior approval of the Members is being sought for enhancing the said limits. The Directors recommend the Special Resolution as set out, for Members' approval. None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Special Resolution.

## Annexure-1 to the Notice

### Details of Directors retiring by rotation / seeking re-appointment at the Meeting

#### Shri Kamaljeet Singh Jaswal

Age	38 years
Qualifications	Graduate
Experience (including expertise in specific functional area) / Brief Resume	Vast experience in Power & infrastructure Industry. Please refer Company's website: <a href="http://www.starlitpower.com">www.starlitpower.com</a> for detailed profile.
Terms and Conditions of Re-appointment	As per the resolution at item no. 3 of the Notice convening this Meeting read with explanatory statement thereto.
Remuneration last drawn	Rs. 55,000/- p.m.
Remuneration proposed to be paid	As per existing approved terms and conditions
Date of first appointment on the Board	March 29, 2012
Shareholding in the Company as on June 30, 2019	NIL
Relationship with other Directors / Key Managerial Personnel	NIL
Number of meetings of the Board attended during the financial year (2018-19)	8

## Annexure-2 to the Notice dated August 13, 2019

### STATEMENT PURSUANT TO THE PROVISIONS OF SECTION II OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013 [INCLUDING SECRETARIAL STANDARD – 2 AND SEBI (LODR) REGULATIONS, 2015, AS APPLICABLE]

#### 1) General Information:

1.	Nature of Industry	Manufacturing		
2.	Date of commencement of business	04/03/2008		
3.	Financial Information Based on given Indicators			
	Year	Turnover (Rs.)	Net-Profit (Rs.)	Dividend Per Share
	2015-16	23,50,24,740	(7,40,31,006)	Nil
	2016-17	6,94,63,097	(6,24,77,357)	Nil
	2017-18	7,22,91,150	(4,45,72,495)	Nil
4.	Foreign Investment or collaboration, if any	24.04%		

#### Shri Yogesh Kumar Gupta

Age	52 years
Qualifications	Engineer
Experience (including expertise in specific functional area) / Brief Resume	Vast experience in Manufacturing and retail industries. Please refer Company's website: <a href="http://www.starlitpower.com">www.starlitpower.com</a> for detailed profile.



Terms and Conditions of Re-appointment	As per the resolution at item no. 7 of the Notice convening this Meeting read with explanatory statement thereto.
Remuneration proposed to be paid	As per existing approved terms and conditions
Date of first appointment on the Board	June 12, 2010
Shareholding in the Company as on June 30, 2019	112800 equity shares of 10/- each
Relationship with other Directors / Key Managerial Personnel	NIL
Number of meetings of the Board attended during the financial year (2018-19)	3

## 2) Other information:

1. Reason for loss or inadequate profits	Pressure on pricing.
2. Steps taken or proposed to be taken for improvement	Cost control measures.
3. Expected increase in productivity and profits in measurable terms	Above steps taken/proposed to be taken by the company is expected to increase the productivity and profits of the company.

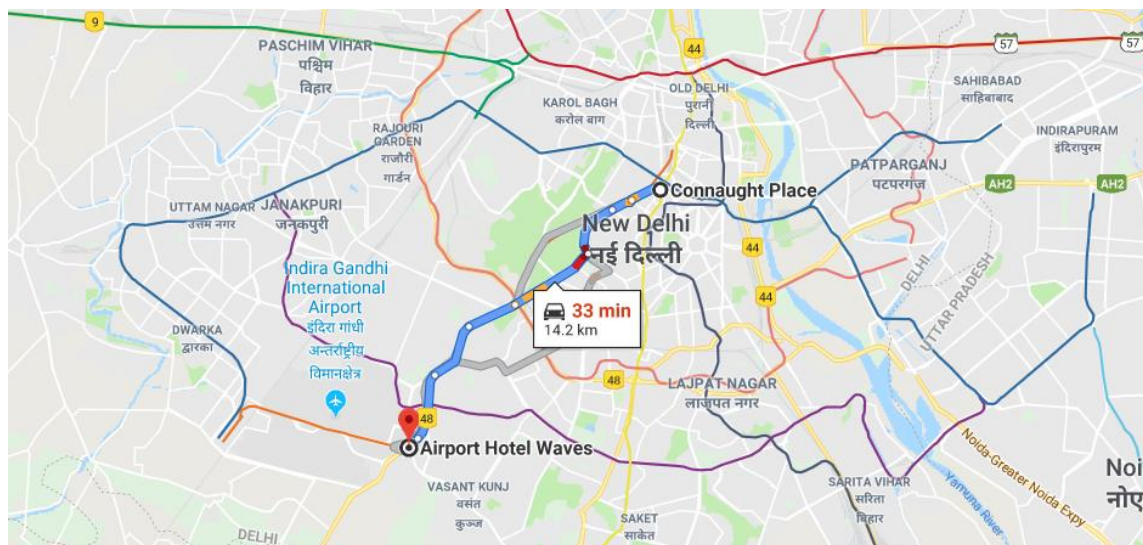
## 3) DISCLOSURES

Information required under Section II, Part II, of Schedule V of the Companies Act, 2013 is mentioned in the Board of Director's report under the heading "Corporate Governance", attached to the financial statement.

**By Order of the Board of Directors  
For Starlit Power Systems Limited**

**Lavan Raheja**  
Company Secretary  
M.No - 55438  
Delhi, August 13, 2019

## Route map to the venue of the 11<sup>th</sup> AGM of Starlit Power Systems Limited



## DIRECTORS' REPORT

Your Directors are pleased to present their 11<sup>th</sup> Annual Report together with the Audited Statement of Accounts of the Company for the year ended March 31, 2019.

### 1. Financial Results

The Company's financial performance for the year ended March 31, 2019 is summarised below:

	CONSOLIDATED		STANDALONE	
	2018-19 Rs. lacs	2017-18 Rs. lacs	2018-19 Rs.lacs	2017-18 Rs. lacs
Net Sales	1281.32	729.34	1281.32	722.91
Other Income	123.28	103.58	123.28	103.58
Profit Before Interest, Depreciation & Tax	(182.60)	(174.48)	(182.59)	(164.53)
Finance Cost	229.32	181.17	229.31	181.17
Depriciation	99.75	100.11	99.71	100.02
Profit Before Tax	(511.67)	(455.76)	(511.61)	(445.72)
Less: Provision for Tax	(108.36)	202.27	108.38	202.13
Current Tax	-	-	-	-
Deferred Tax	(108.36)	202.27	108.38	202.13
Profit After Tax	(403.30)	(608.30)	(403.22)	(647.85)

### 2. FINANCIAL PERFORMANCE AND THE STATE OF THE COMPANY'S AFFAIRS

#### 2.1. CONSOLIDATED

On a Consolidated basis, the Operating Revenue was at Rs. 1281.32 Lacs in FY19, compared to Rs 729.34 Lacs in FY18. The increase was mainly due to recovery of battery purchase cost related to regulated businesses, capacity addition in renewable business and good operational performance by the businesses. The operating Loss for the year under review recorded an 33.70% reduction over FY19.

#### 2.2. STANDALONE

On a Standalone basis, the Operating Revenue stood at Rs 1281.32 Lacs in FY19 compared to Rs 722.91 Lacs in FY18. The increase was mainly due to recovery of battery purchase cost related to regulated businesses, capacity addition in renewable business and good operational performance by the businesses. The operating Loss for the year under review recorded an 33.70% reduction over FY19.

### 3. Dividend

The Board of Directors of your Company has decided to Retain and Plough Back into the Business of the Company, thus no dividend is being recommended for this year.

### 4. Reserves

The Company has transferred Rs. (4,03,22,991.00) to Reserve during the Year.

### 5. Share Capital

During the year under review, there was no change in the Company's issued, subscribed and paid-up equity share capital. On March 31, 2019, it stood at 10.06 Cr divided into 10064866 equity shares of 10/- each.



## 6. Material changes affecting the Company

There were no other material changes / commitments affecting the financial position of the Company or that may require disclosure, between March 31, 2019 and the date of Board's Report.

## 7. Management Discussion and Analysis Report

The Management Discussion and Analysis Report for the year under review, as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached forming part of this report.

## 8. Subsidiaries, Joint Ventures and Associate Companies.

S.no	Particulars	% of Shareholding
1.	Vivaan Vyapaar Private Limited	90

The Company has one subsidiary. Pursuant to Section 129(3) of the Companies Act, 2013 and Accounting Standards issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company include the Financial Statements of its Subsidiaries.

Consolidated Financial Statements form part of this Annual Report. Statement containing the salient feature of the financial statement of the Company's subsidiaries in Form AOC-1, is enclosed to this Annual Report.

In terms of provisions of Section 136 of the Companies Act, 2013, the Company shall place separate audited accounts of the Subsidiary Companies on its website at <http://www.starlitpower.com>.

## 9. Research and Development (R&D)

The Company takes pride in its continuous research and development which focus on providing innovative solutions as opposed to simply producing Power Battery. With these consistent efforts in research and development activities, Starlit is trying to accelerate growth and drive new product development globally.

## 10. Secretarial Standards

During the year 2019, the Company has complied with applicable Secretarial Standards issued by the Institute of the Company Secretaries of India.

## 11. Directors Responsibility Statement

The Board acknowledges the responsibility for ensuring compliance with the provisions of clause (c) of sub section (3) of Section 134 of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and state that:

- in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2019, the applicable accounting standards had been followed along with the proper explanation relating to material departures;
- Accounting policies selected were applied consistently. Reasonable and prudent judgments and estimates are made so as to give a true and fair view of the state of affairs of the Company as of 31<sup>st</sup> March, 2019 and of the profits/loss of the Company for the year ended on that date
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities
- The annual accounts of the Company have been prepared on a going concern basis.
- Proper Internal Financial Controls were in place and that the Financial Controls were adequate and were operating effectively.
- Systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

## 12. Corporate Governance

Starlit is committed to maintaining best standards of Corporate Governance and has always tried to build the maximum trust with shareholders, employees, customers, suppliers and other stakeholders. The Company has also implemented several best governance practices. The report on Corporate Governance as stipulated under the Listing Regulations forms an integral part of this Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance.

## 13. Directors and Key Managerial Personnel

### a. Appointment and Reappointment

Shri. Kamaljeet Singh Jaswal, Whole Time Director of the Company retires by rotation and being eligible offer himself for reappointment at the ensuing Annual General Meeting.

The Board of Directors in its meeting held on August 13, 2019, on the recommendation of the HR, Nomination & Remuneration Committee and subject to the approval of Members of the Company reappointed Shri. Kamaljeet Singh Jaswal for a further period of five years w.e.f. September 25, 2019 till 24 September, 2024.

Shri. Sanjay Arora, Independent Director of the Company was appointed for a tenure of five years with effect from 13th January, 2015 till 12th January, 2020. The Board of Directors in its meeting held on August 13, 2019, on the recommendation of the HR, Nomination & Remuneration Committee and subject to the approval of Members of the Company reappointed him for second term commencing from 13th January, 2020.

During the year Shri. Rajesh Browne appointed as whole time Director of the company as on November 28<sup>th</sup>, 2018 After The closing of Financial year 2018-19 and before AGM Shri. Rajesh Browne has resigned w.e.f. June 30<sup>th</sup>, 2019.

Shri. Yogesh Kumar Gupta was appointed as an Additional Managing Director of the company. Now the Board recommends appointment of Shri. Yogesh Kumar Gupta (DIN: 00315397) as Chairman Cum Managing Director of the Company liable to retire by rotation w.e.f. July 3, 2019.

Shri. Nikhil Kanwar was appointed by the Board as Additional Director of the Company and also as Independent Director, not being liable to retire by rotation, for a term of 5 years i.e. from 28<sup>th</sup> November 2018 upto 27<sup>th</sup> November 2023, subject to approval of the Members in ensuing AGM.

Shri. Lavan Raheja, M. No. 55438, was appointed as a Company Secretary cum Compliance officer of the company w.e.f. 10<sup>th</sup> October, 2018

### b. Status of Other Directors

Smt. Sangeeta Jaryal, is acting as Independent Women Director of the Company. Her present tenure of five years is from 19<sup>rd</sup> December, 2017 to 18<sup>th</sup> December 2022.

### c. Independent Directors Declaration

The Company has received necessary declaration from each Independent Director under section 149(7) of the Companies Act, 2013 that they meet the criteria of independence laid down in section 149(6) of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## 14. Familiarization Programme for the Independent Directors

The Company follows a well-structured induction programme for orientation and training of Directors at the time of their joining so as to provide them with an opportunity to familiarise themselves with the Company, its management, its operations and the industry in which the Company operates.

At the time of appointing a Director, a formal letter of appointment is given to him/her, which inter alia explains the role, function, duties and responsibilities expected of him/her as a Director of the Company. The Director is also explained in detail the Compliance required from him under the Companies Act, 2013, the Listing Regulations and other relevant regulations and affirmation taken with respect to the same.

The induction programme includes:

- 1) For each Director, a one to one discussion with the Chairman and Managing Director to familiarise the former with the Company's operations
- 2) An opportunity to interact with the CFO & Company Secretary, business heads and other senior officials of the Company, who also make presentations to the Board members on a periodical basis, briefing them on the operations of the Company, strategy, risks, new initiatives, etc.

The details of the familiarisation programme may be accessed on the Company's corporate website ([www.starlitpower.com](http://www.starlitpower.com)).

#### **15. Performance Evaluation of the Board, Committees and Individual Directors**

In terms of provisions of Companies Act, 2013 read with the Rules issued thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board has adopted a formal mechanism for evaluating the performance of its Board, Committees and individual Directors including the chairman of the Board. Further, a structured performance evaluation exercise was carried out based on criteria such as:

- Board/Committees composition;
- Structure and responsibilities thereof;
- Ethics and Compliance
- Effectiveness of Board processes;
- Participation and contribution by members;
- Information and functioning;
- Specific Competency and Professional Experience /Expertise
- Business Commitment & Organisational Leadership
- Board/Committee culture and dynamics; and
- Degree of fulfillment of key responsibilities, etc.

The performance of Board, Committees thereof, Chairman, Executive and Non-Executive Directors and individual Directors is evaluated by the Board/ Separate meeting of Independent Directors. The results of such evaluation are presented to the Board of Directors.

#### **16. Promotion of Women's Well Being at Work Place**

Starlit has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the said act. There have been no complaints of sexual harassment received during the year.

#### **17. Contracts or Arrangements with Related Parties**

With reference to Section 134(3)(h) of the Companies Act, 2013, all contracts and arrangements with related parties under Section 188(1) of the Act, entered into by the Company during the Financial Year, were in the ordinary course of business and on an arm's length basis. The details of the related party transactions as required under Accounting Standard are set out in Note 2 to the standalone financial statements forming part of this Annual Report.

No Material Related Party Transactions, i.e. transactions amounting to ten percent or more of the annual consolidated turnover as per the last audited financial statements, were entered during the year by your Company. Accordingly, the disclosure of Related Party Transactions to be provided under section 134(3)(h) of the Companies Act, 2013, in Form AOC – 2 is not applicable.

As per the Listing Regulations, all related party transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee has been obtained for the transactions which are of foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval are presented to the Audit Committee by way of a statement giving details of all related party transactions. The Company has developed a Related Party Transactions Policy for the purpose of identification and monitoring of such transactions and can be accessed on the Company's website(<http://www.starlitpower.com>).

## **18. Auditors and Auditors' Report**

### **Statutory Auditors**

M/s. D M A R K S & Associates, Chartered Accountants, Firm Reg. No. 006413N, New Delhi were appointed as Statutory Auditors of the Company in the 9<sup>th</sup> AGM (held on 28<sup>th</sup> September, 2017) to hold office for a period of 5 years until the conclusion of the 14<sup>th</sup> Annual General Meeting subject to ratification at every Annual General Meeting.

However, in accordance with the Companies Amendment Act, 2017, enforced on 7<sup>th</sup> May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting. Accordingly, no such item is being considered in notice of the 11<sup>th</sup> AGM. They will continue as Statutory Auditors for next financial year

There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Report that may call for any explanation from the Directors. Further, the notes to accounts referred to in the Auditor's Report are self-explanatory. During the year, the Auditor had not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

### **Secretarial Auditor**

The Company had appointed Shri Vikram Talwar, Practising Company Secretary to conduct its Secretarial Audit for the Financial Year 2019. The Secretarial Audit report is annexed herewith as **Annexure - B** to this report. There are no qualifications, reservations or adverse remarks made by Secretarial Auditor in his report. During the year, the Auditor had not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

## **19. REMUNERATION POLICY**

Your Company is driven by the need to foster a culture of leadership with mutual trust. Starlit's remuneration policy, which is aligned to this philosophy, is designed to attract, motivate, retain manpower and improve productivity by creating a congenial work environment, encouraging initiative, personal growth and teamwork besides offering appropriate remuneration package. Pursuant to the applicable provisions of the Companies Act, 2013 and the Listing Regulations, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and Individual Directors, including Independent Directors.

Members can download the complete remuneration policy on the Company's website ([www.starlitpower.com](http://www.starlitpower.com)).

Disclosure of details of payment of remuneration to Managerial Personnel *under* Schedule V Part II, Section II (A) forms part of this Corporate Governance Report.

## **20. INTERNAL FINANCIAL CONTROLS**

Internal Financial Controls are an integrated part of the risk management process, addressing financial and financial reporting risks. The internal financial controls have been documented, digitised and embedded in the business processes.

Assurance on the effectiveness of internal financial controls is obtained through management reviews, control self-assessment, continuous monitoring by functional experts as well as testing of the internal financial control systems by the internal auditors during the course of their audits. We believe that these systems provide reasonable assurance that our internal financial controls are designed effectively and are operating as intended.

## **21. RISK MANAGEMENT POLICY**

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very nominal.

## **22. CORPORATE SOCIAL RESPONSIBILITY**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable to your company.

## **23. STOCK EXCHANGE LISTING**

Presently the shares of the Company are listed on the Bombay stock Exchange (BSE).

### **Disclosures**

## **24. MEETINGS OF THE BOARD**

During Financial Year 2019, Eight (8) meetings of the Board of Directors, Four (4) Audit Committee and Two (2) Nomination and Remuneration committee meetings were held. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

Details of the composition of the Board and its Committees and of the Meetings held, attendance of the Directors at such Meetings and other relevant details are provided in the Corporate Governance Report.

There have been no instances of non-acceptance of any recommendations of the Audit Committee by the Board during the Financial Year under review.

## **25. Vigil Mechanism**

The Company has adopted a Whistle Blower Policy establishing vigil mechanism, to provide a formal mechanism for the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy without fear of reprisal. The policy is accessible on the Company's website at: <http://www.starlitpower.com>.

## **26. Particulars of Loans given, Investments made, Guarantees given and Securities provided**

The Company have duly complied with the provision of Section 186 of the Companies Act, 2013 during the year under review. The details of loans, guarantees and investments are covered in the notes to the Financial Statements.

## **27. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo**

The details of energy conservation, technology absorption and foreign exchange earnings and outgo as required under Section 134(3) of the Companies Act, 2013, read with the Rule 8 of Companies (Accounts of Companies) Rules, 2014 is annexed herewith as "Annexure - C" to this report.

## **28. Change in Nature of Business, if any**

There was no change in the nature of business during the year under review.

## **29. Investor Education and Protection Fund (IEPF)**

Details of unclaimed Dividend and Shares transferred to IEPF during 2018-19 are given in Corporate Governance Report.

## **30. Extract of Annual Return**

Extract of Annual Return (MGT-9) of the Company is annexed herewith marked as "Annexure D" to this Report.

## **31. Particulars of Employees and related disclosures**

Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is necessary to disclose the ratio of remuneration of each director to the median employees' remuneration.

1. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

S. No.	Name	Designation	Ratio
1	Shri Kamaljeet Singh Jaswal	Executive Director, CFO	12.00
2	Shri Yogesh Kumar Gupta	Independent Director	24.00

2. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

S. No.	Name of the KMP	Designation	% increase in Remuneration
1	Shri Yogesh Kumar Gupta	Chairman and Managing Director	NA
2	Shri Kamaljeet Singh Jaswal	Executive Director, CFO	NA
3	Lavan Raheja	Company Secretary & Compliance Officer	NIL

3. The percentage increase in the median remuneration of employees in the financial year is 10%.  
 4. The numbers of permanent employees on the rolls of company were 57 as on 31st March, 2019.  
 5. **Affirmation that the remuneration is as per the Remuneration Policy of the Company:** It is hereby affirmed that the remuneration paid during FY 2019 is as per the remuneration policy of the company.  
 6. Information pursuant to Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 pertaining to the top ten employees in terms of remuneration drawn and their other particulars also form part of this report.

### 32. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these items during the year under review:

- **Deposits** : The Company has not accepted deposit from the public within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.
- **Significant and Material Orders Passed by the Regulators or Courts:** No significant and material orders have been passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in the future.

### 33. ACKNOWLEDGEMENT

Your Directors place on record their sincere thanks to Bankers, business associates, consultants and various Government Authorities for their continued support extended to your Company's activities during the year under review. The Board also places on record their appreciation of the devoted services of the employees. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

**For and on Behalf of the Board of Directors**

**Shri Yogesh Kumar Gupta**  
Chairman and Managing Director

**Delhi, August 13, 2019**

## MANAGEMENT DISCUSSION AND ANALYSIS

### 1. Macroeconomic Overview

According to recently published International Monetary Fund's (IMF) World Economic Outlook, global economic activity slowed notably in the second half of last year against strong growth in 2017 and early 2018 reflecting a confluence of factors affecting major economies. World Economic Outlook (WEO) projects a decline in growth in 2019 for 70 percent of the global economy. Global growth, which peaked at close to 4 percent in 2017, softened to 3.6 percent in 2018, and is projected to decline further to 3.3 percent in 2019.

During the financial year 2019, India emerged as the fastest growing major world economy despite increased global vulnerabilities, such as rising oil prices, escalated trade wars between global partners, and the US monetary shutdown. India's economy gained momentum as a result of the stabilization of Goods and Services Tax (GST) and more investment by foreign investors. During the year, India climbed another 23 points in the World Bank's ease of doing business index to the 77<sup>th</sup> position, for the first time.

According to World Bank, India's GDP growth is expected to accelerate moderately to 7.5 per cent in FY19-20, driven by continued investment strengthening-particularly private-improved export performance, and resilient consumption.

### 2. Industry Scenario

India Automotive Lead Acid Battery Market Outlook, 2023' gives a comprehensive analysis on the automotive lead acid battery industry of India. The market has observed a consistency in last five years and is expected to continue growing in next few years. Automotive manufacture comprises the production of two wheelers, three wheelers, commercial and passenger vehicles, truck, tractor, etc. The major causes for the growth are disposable income is increasing, India has the most number of young population in the world, increase in tourism industry, demonetization, GST, etc.

According to the report, India's overall automotive lead acid battery market has grown with more than 10% CAGR over the reviewing period from year 2012-13 to 2017-18.

India automotive lead acid battery market is leading by two wheeler battery market, followed by four-wheelers and commercial battery market. As per the Society of India Automobile Manufacturers, the domestic sales of two wheelers in the country stood at more than 20 million units, which are expected to grow at a rapid pace over the next 5 years.

India has witnessed a tremendous growth in per capita income thereby resulting in more disposable income in the hands of its citizens. As a result, there has been a sharp increase in the sales of automobiles, particularly of the two wheelers. India has the most number of young people in the world. This is expected to spur the growth of two wheeler lead acid batteries in the forecast period.

The automobile industry employs about 19 million people directly and indirectly. India is the 8 largest commercial vehicle manufacturers in the world. While it is the 2nd largest bus manufacturer, it ranks 5th globally in manufacturing heavy trucks.

Growing inclination towards pollution-free electric vehicles coupled with technological developments is expected to increase product demand over the upcoming years.

The two wheeler and four wheeler battery market is anticipated to contribute more than 65% market share of total automotive lead acid battery market by year 2022-23.



The Government of India has plans to make a major shift to electric vehicles by 2030. Even if India is able to achieve 50-70%, India will be one of the largest adopters of electric mobility. Lead acid battery is the best available option for electric vehicles.

### **3. About Us**

Starlit Power Systems Limited was incorporated in the year 2008 with initial focus on manufacturing and distribution of Secondary Power Storage Batteries. The Company is engaged in manufacture of Batteries for E-Mobility. The battery facility is integrated with a capacities to refine metal, alloys and Oxides that are the key Raw material needed for the production of the batteries. This in-house capacity to manufacture the main Raw material gives an added control over quality of its final products. Commercially, it allows Starlit to capture the value from the start. The Company is thus in both B2C, selling batteries to the customers as also in B2B selling metal and oxides to the Industrial users including other battery players. This provides an additional hedge to the business.

As a tribute to the infrastructure built by Starlit, Dynavolt, a large battery corporation headquartered in China and having presence the world over has taken 24% stake in the Company. This collaboration gives Company access to technologies. Besides, it also opens up the global markets for the Company. Our products are supplied to most prominent battery and secondary power back-up Companies both in India and abroad. In these fields, Starlit Lead Products are a recognized name amongst battery manufacturers in India and countries across the world.

The Company's continuous efforts towards research and development helps in improving its product portfolio. The R&D labs of the Company has sophisticated equipments. Company has recently refurbished the Indian R&D lab to complement R&D team efforts.

Company keeps a watchful eye over its quality. Starlit keeps monitoring its quality standards time to time with the help of parameters such as no. of complaints/100 battery of sale and sales quality return as percentage of sales.

Starlit power continue to innovate with development of new products to meet the industry growing need for convenience and product safety.

### **4. Operational and Financial Performance**

In financial year 2019, Net Sales increased to Rs. 12.81 crores from Rs. 7.23 crores in financial year 2018. Consolidated EBIT loss for the financial year 2019 reduce to Rs. (5.11) crores against Rs.(4.06) crores in financial year 2018. Consolidated PAT for financial year 2019 is Rs. (4.03) crores against Rs. (6.08) crores to that of last year.

### **5. Human Resource and Industrial Relations**

Starlit Power considers people as its biggest assets and 'Believing in People' is at the heart of its human resource strategy. Concerted efforts have been put in talent management and succession planning practices, strong performance management and learning and training initiatives to ensure that Company consistently develops inspiring, strong and credible leadership.

Starlit Power regards timely performance appraisals which helps in employee motivation by encouraging them to work to their fullest potential. Starlit Power also promotes healthy, safe, and fun work environment to ensure a level of comfort amongst the employees and eliminate any stressful or awkward atmosphere that may hinder the performance of the staff.

Starlit Power maintained healthy, cordial and harmonious industrial relations at all levels. Despite severe competition, the enthusiasm and unstinting efforts of the employees have enabled Company to remain at the forefront of the Industry. Company continued to receive cooperation and unstinted support from the distributors, retailers, stockists, suppliers and others associated with the Company as its trading partners.



## 6. Internal Control Systems

The Company has an Internal Audit System commensurate with its size and nature of business operations. The Internal Auditors covers all the key areas of the Company's business and reports to the Audit Committee of the Board. Starlit has also implemented adequate internal controls towards achieving efficiency of operations, management of resources, accuracy and promptness of financial reporting and compliance with the applicable laws, rules and regulations.

## 7. Opportunities and Threats

The Indian government's initiative to develop a 100 cities as smart cities that offer smart solutions to their citizens through the use of technology, information and data is expected to fuel demand for back-up power systems and hence batteries. Further, mobile broadband penetration in the form of Wi-Fi is very low in India and it is estimated that there will be a significant increase in the number of Wi-Fi hot spots, which will push sales of UPS and so the batteries that power them.

The latest game-changer in the energy market is expected to come in the form of Battery Energy Storage Systems. With more and more renewable energy being pumped into the grid from utilities as well as decentralised generators, the distribution networks are becoming increasingly unstable. Battery Energy Storage Systems are meant for both grid scale as well as off-grid scale. The energy storage market for grid-connected and off-grid renewables is likely to provide significant opportunities.

The robust growth in automobile sales over the last few years has ensured medium and long-term opportunity for replacement battery sales, an area in which your Company's brand equity and strong channel relationship give it a huge competitive edge.

While your Company has taken definitive steps in preparing for future demands of electric mobility, it is simultaneously ensuring technological upgrades in the lead-acid space that would keep it ahead of competitive threats.

The lead-acid battery business has seen a host of new players over the last few years, both at a regional and national level. Your Company is susceptible to constant pressure at a market level as these new players try to wean away consumers and channel partners essentially through low-price offerings. Your Company is addressing these challenges through the adoption of latest technologies and lean manufacturing practices in order to quickly develop differentiated products that will change the price-value equation in its favour.

## 8. Risks

There is an inherent threat from new battery technologies such as Lithium-Ion technology, which is likely to penetrate automotive applications as well as various industrial applications such as telecom, data centers, UPS, solar street lights and energy storage systems. Your Company is trying entering the Li-Ion battery business.

The brand equity of your Company is high and one of its key strengths. It has taken all necessary measures to build on it, ensuring controls to protect the brand. In view of increased penetration of social media, the inherent risk of communities, employees, and customers sharing their expectations, concerns and suggestions and so impacting the brand image has gone up. Your Company has implemented a Social Media Framework through a technology platform to ensure effective management of its reputation by timely redressal of concern, action on suggestions and enquiries.

Other actions for ensuring the protection of the brand includes the registration of the trademark in countries where the Company intends to sell its products. Your Company is also leveraging the know-how of collaborators to offer a great experience to the customer on product performance.

Your Company has shown healthy growth over the last several years and taken steps to expand capacity to meet this demand and remain cost competitive. Company-wide cost reduction initiatives have been launched, ensuring the budgetary control in all facets of the business including raw material, conversion,

marketing and distribution. Your Company has a focused initiative to improve productivity and control costs of energy, consumables, overheads, logistics and marketing.

#### **9. Future Outlook & Strategy**

Starlit Power plans to continue to tap opportunities in its segments by launching innovative products and using technology to generate efficiencies across its business. The company is investing on an on-going basis on various research projects; some of these projects have started yielding results while many others are expected to come on stream in the next two years.

The vision of Starlit Power is to be the most preferred National brand.” Its mission is:

- a) Rather modest and it is to capture a modest 2% of the market share of the Lead Acid Battery Industry in India in the next 5 years and to be known as a credible player offering products comparable with the best and backing it with services and customer connect which outshines others.
- b) To enter into the Next Gen batteries using chemistries based on Lithium.
- c) To carry out manufacturing activities using advanced technologies which conserve the natural resources and protect the Environment, Health and Safety of the persons involved
- d) To meet customer needs through providing the quality products and services  
To improve the quality of products continuously through Research & Development, Training and use of Upgraded Technology

#### **10. Significant Change of Key Financial Ratios**

There is no significant change in key financial ratios as if compared to the ratios of previous financial year.

#### **11. Cautionary Statement**

This report may contain “Forward Looking Statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Starlit Power’ future business developments and economic performance. While these Forward Looking Statements indicate the Company’s assessment and future expectations concerning the development of the Company’s business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from the expectations. These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with the Company, legislative developments, and other key factors that could affect the Company’s business and financial performance. Starlit Power undertakes no obligation to publicly revise any forward looking statements to reflect future / likely events or circumstances.

## CERTIFICATE ON CORPORATE GOVERNANCE

**To**  
**The Members of**  
**Starlit Power Systems Limited**

1. We have examined the compliance of the conditions of corporate governance by Starlit Power Systems Limited ("the Company") for the year ended 31<sup>st</sup> March, 2019 as stipulated in Regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("SEBI Listing Regulations").

### **Management's Responsibility**

2. The compliance of conditions of corporate governance is the responsibility of the management of the Company. This responsibility includes the designing, implementing and operating effectiveness of internal control to ensure compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations.

### **Our Responsibility**

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

### **Opinion**

5. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31<sup>st</sup> March, 2019.
6. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the company.

Sd/-

**(CS Vikram Talwar)**

*Practicing Company Secretary* Place: Delhi

ACS – 55890 / CP No.- 21290 Dated: 20<sup>th</sup> June, 2019

# SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2019

[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**

**STARLIT POWER SYSTEMS LIMITED**

A-1/51, LGF, SAFDARJUNG ENCLAVE

NEW DELHI-110029

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Starlit Power Systems Limited** having its Registered Office at A-1/51, LGF, Safdarjung Enclave New Delhi-110029 (hereinafter called the Company). Secretarial Audit was conducted 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 books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised 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 31.03.2019 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.

## AUDITORS' RESPONSIBILITY

Maintenance of Secretarial Records is the responsibility of the management of the Company. Our responsibility is to express an opinion on existence of adequate Board process and compliance management system, commensurate to the size of the Company, based on these secretarial records as shown to us during the said audit and also based on the information furnished to us by the officers' and the agents of the Company during the said audit.

We have followed the audit practices and processes as were appropriate to the best of our understanding 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.

We have not verified the correctness, appropriateness and bases of financial records, books of accounts and decisions taken by the Board and by various committees of the Company during the period under scrutiny. We have checked the Board process and compliance management system to understand and to form an opinion as to whether there is an adequate system of seeking approval of respective committees of the Board, of the Board, of the members of the Company and of other authorities as per the provisions of various statutes as mentioned hereinafter.

Wherever required we have obtained the management representation about the compliance of the laws, rules and regulations and happening of events, etc.

The Compliance of the provisions of Corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of compliance procedures on test basis.

Our report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness or accuracy with which the management has conducted the affairs of the Company.

**We report that,** we have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31.03.2019 according to the provisions of (as amended) :

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. Secretarial Standards as issued by The Institute of Company Secretaries of India;
- iii. The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- iv. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- v. Foreign Exchange Management Act, 1999 and the rules and regulation made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- vi. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - 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;
  - d. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**We further report that,** having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has specifically complied with the provisions of the following Act:

1. Legal Metrology Act, 2009
2. The Environment (Protection) Act, 1986 and Rules thereunder

to the extent of its applicability to the Company during the financial year ended 31.03.2019 and our examination and reporting is based on the documents, records and files as produced and shown to and the information and explanations as provided to us by the Company and its management and to the best of our judgment and understanding of the applicability of the different enactments upon the Company. Further, to the best of our knowledge and understanding there are adequate systems and processes in the Company commensurate with its size and operation to monitor and ensure compliances with applicable laws including general laws, labour laws, competition law, environmental laws, etc.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

During the period under review, provisions of the following regulations/guidelines/standards were not applicable to the Company:

- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (ii) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (iii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (iv) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018;
- (v) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.

**We further report that:**

- a) 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, if any, during the period under review were carried out in compliance with the provisions of the Act.
- b) Adequate notice is given to all 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.
- c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- d) There are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Sd/-

**(CS Vikram Talwar)**

*Practicing Company Secretary* Place: Delhi  
ACS – 55890 / CP No.- 21290 Dated: 20<sup>th</sup> June, 2019

**THE INFORMATION ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO STIPULATED UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNT) RULES, 2014****A. CONSERVATION OF ENERGY****(i) Steps taken/Impact on Conservation of Energy:**

Improvement in energy efficiency is a continuous process at Starlit and conservation of energy is given a very high priority in our plant and offices.

The energy cost saving measures carried out by the company during the year are listed below:

- Improving the Equipment Efficiency.
- Adoption of new Techniques
- Optimum loading of Power & Distribution Transformer to reduce the Load losses
- Energy Saving in Air Compressor by optimizing operational parameters.
- Energy saving in utility plants by Improving COP
- Energy Efficient charging system for batteries.
- Energy Efficient heating system for lead recycling plant by use of Bio mass gassifier in place of use of diesel, approved by MNRE .
- Installation of LED Lighting (Indoor & Outdoor).
- Installation of solar panels for street lighting
- Use of day light for illumination.

**(ii) Steps taken by the Company for utilizing alternate sources of energy.**

- i) Converted drying operations from LPG to bio mass gas based heating system using agriculture wastes/residues.
- ii) Converted lead smelting from highly polluting furnace oil to cleaner fuel recycled from waste tyres.
- iii) Preparatory work completed to install and commissioning 50 KW ROOF TOP SOLAR POWER Plant

**(iii) Capital investment on energy conservation equipments during the year: NIL****B. TECHNOLOGY ABSORPTION**

- (i) Lot of Efforts have been made towards technology up-gradation in manufacturing of lead acid batteries based on international practices adopted for use of new materials like carbon nano tubes (CNT), graffine, carbon induced materials etc to give not only improved life of the batteries but also reduction in lead quantity:
- (ii) The benefits derived are like product improvement, cost reduction, product development, import substitution and Growth in business
- (iii) In case of imported technology (Imported during the last 3 years reckoned from the beginning of the financial year)
  - (a) Details of Technology Imported
  - (b) Year of Import
  - (c) Whether the technology been fully absorbed
  - (d) If not fully absorbed, areas where this has not taken place, and reasons thereof

**N.A. (The Company has not imported any technology)**

- (iv) Expenditure incurred on Research and Development : NIL

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Company's foreign exchange earnings were NIL. The total foreign exchange utilized during the year amounted to NIL.

## FORM NO. MGT 9

### EXTRACT OF ANNUAL RETURN

As on financial year ended on March 31, 2019

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

#### Registration and other Details

<b>CIN</b>	L37200DL2008PLC174911
<b>Registration Date</b>	04/03/2008
<b>Name of the Company</b>	STARLIT POWER SYSTEMS LIMITED
<b>Category/Sub-category of the Company</b>	Public Company Limited by share
<b>Address of the Registered office &amp; contact details</b>	A-1/51, LGF, SAFDARJUNG ENCLAVE NEW DELHI South Delhi DL 110029
<b>Whether listed Company</b>	Yes
<b>Name, Address &amp; contact details of the Registrar &amp; Transfer Agent, if any.</b>	<b>Bigshare Services Pvt. Ltd.</b> 302, Kushal Bazar, 32-33, Nehru Place, New Delhi – 110019 011-42425004/ 011-47565852

#### Principal Business Activities of the Company

<b>All the business activities contributing 10% or more of the total turnover of the Company</b>	As per Attachment A
<b>Particulars of holding, subsidiary and associate companies</b>	As per Attachment B

#### Shareholding Pattern (Equity Share Capital breakup as percentage of total equity)

<b>Category-wise Shareholding</b>	As per Attachment C
<b>Shareholding of Promoters</b>	As per Attachment D
<b>Change in Promoters' Shareholding</b>	As per Attachment E
<b>Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)</b>	As per Attachment F
<b>Shareholding of Directors and Key Managerial Personnel</b>	As per Attachment G

#### Indebtedness

<b>Indebtedness of the Company including interest outstanding / accrued but not due for payment</b>	As per Attachment H
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#### Remuneration of Directors and Key Managerial Personnel

<b>Remuneration to Managing Director (MD), Whole-time Directors (WTD) and / or Manager</b>	As per Attachment I
<b>Remuneration to other directors</b>	As per Attachment J
<b>Remuneration to Key Managerial Personnel other than MD / Manager / WTD</b>	As per Attachment K
<b>Penalties / Punishment/ Compounding of Offences</b>	As per Attachment L



## Attachment A

**Principal Business Activities of the Company**

All the business activities contributing 10% or more of the total turnover of the company are given below: -

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacturing of Automative Batteries, Inverter Batteries and Solar Batteries and Manufacturing and Refining of Lead	31	100

## Attachment B

**Particulars of holding, subsidiary and associate companies**

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Vivaan Vyapaar Private Limited	U51900DL2013PTC262380	Subsidiary Company	91%	2 (87)(ii)

## Attachment C

**Shareholding Pattern (Equity Share Capital breakup as percentage of total equity)**

## Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 1, 2018]				No. of Shares held at the end of the year [As on March 31, 2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	1300578	-	1300578	12.92%	292900	-	292900	2.91%	10.01%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	1721707	-	1721707	17.11%	2633159	-	2633159	26.16%	9.05%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub Total (A) (1)</b>	<b>3022285</b>	<b>-</b>	<b>3022285</b>	<b>30.03%</b>	<b>2926059</b>	<b>-</b>	<b>2926059</b>	<b>29.07%</b>	<b>0.96%</b>
<b>(2) Foreign</b>									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub Total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>
<b>TOTAL (A)</b>	<b>3022285</b>	<b>-</b>	<b>3022285</b>	<b>30.03%</b>	<b>2926059</b>	<b>-</b>	<b>2926059</b>	<b>29.07%</b>	<b>0.96%</b>

**B. Public Shareholding**

<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)									
<b>Sub-total (B)(1):-</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	2898770	-	2898770	28.80%	2713537	-	2713537	26.96	1.84
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	4622581	-	4622581	45.79%	880705	-	880705	8.75%	37.04%
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	-	-	-	-	1095105	-	1095105	10.88%	10.88%
c) Others (Clearing Member)	-	-	-	0.00%	29460	-	29460	0.29%	0.29%
Non Resident Indians	-	-	-	0.00%	-	-	-	0.00%	0.00%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members	-	-	-	0.00%	-	-	-	0.00%	0.00%
HUF									
Trusts	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Bodies - D R	2420000	-	2420000	24.04	2420000	-	2420000	24.04	0.00%
<b>Sub-total (B)(2):-</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Total Public (B)</b>	7042581	-	7042581	69.97%	7138807	-	7138807	70.92%	00.95%
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Grand Total (A+B+C)</b>	10064866	-	10064866	100%	10064866	-	10064866	100%	0.00%

## Attachment D

**Shareholding Pattern (Equity Share Capital breakup as percentage of total equity)**

## Shareholding of Promoter

S. No.	Shareholder's Name	No. of Shares held at the beginning of the year [As on April 1, 2018]			No. of Shares held at the end of the year [As on March 31, 2019]			% change in shareholding 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	SURINDER PAL	211775	2.10	Nil	169775	1.69	Nil	0.00%
2	LALIT SHARMA	40000	0.40	Nil	40000	0.40	Nil	0.00%
3	PURABI SHRIDHAR	33125	0.33	Nil	33125	0.33	Nil	0.00%
4	SANTOSH SHARMA	20000	0.20	Nil	20000	0.20	Nil	0.00%
5	SADHU RAM SHARMA	20000	0.20	Nil	20000	0.20	Nil	0.00%
6	SHRUTIKA SHRIDHAR	10000	0.10	Nil	10000	0.10	Nil	0.00%
7	STARLIT FINANCE LIMITED	932166	9.26	Nil	16274	0.16	Nil	9.10
8	PCM POWER GENERATION PRIVATE LIMITED	0	0.00	Nil	2616885	26.00	Nil	26.00

## Attachment E

**Shareholding Pattern (Equity Share Capital breakup as percentage of total equity)**

## Change in Promoters' Shareholding

## Particulars

Particulars	Shareholding at the beginning of the year (As on 01-04-2018)		Cumulative Shareholding during the year (01-04-2018 to 31-03-2019)	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>At the beginning of the year</b>				
<b>Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity, etc.)</b>			<b>Note-I</b>	
<b>At the end of the year</b>				

**Note-I Details of Increase and Decrease in Promoters' Shareholding**

Sr. No	Particulars	Date	Reason	Shareholding		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1.	Surinder Pal						
	At the beginning of the year	1-Apr-2018		211775	2.10%	211775	2.10%
	Changes during the year		Sell	42000	0.42%	169775	1.68%
	At the end of the year	31-Mar-2019		169775	1.68%	169775	1.68%
2.	Starlit Finance Limited						
	At the beginning of the year	1-Apr-2018		932166	9.26	932166	9.26
	Changes during the year		Sell	915892	9.10	16274	0.16
	At the end of the year	31-Mar-2019		16274	0.16	16274	0.16
3.	PCM POWER GENERATION PRIVATE LIMITED						
	At the beginning of the year	1-Apr-2018		0	0.00%	0	0.00%
	Changes during the year		Purchase	2616885	26.00%	2616885	26.00%
	At the end of the year	31-Mar-2019		2616885	26.00%	2616885	26.00%

## Attachment F

**Shareholding Pattern (Equity Share Capital breakup as percentage of total equity)**

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 (As on 01-04-2018)		Shareholding at the end of the year (As on 31-03-2019)	
		No. of shares	% of total shares	No. of shares	% of total shares
1	Guangdong Dynavolt Power Technology Co Limited	2420000	24.04%	2420000	24.04%
2	YMS Finance Private Limited	0	0.00%	1767969	17.57%
3	Khatod Investments And Finance Company Limited	0	0.00%	196156	1.95%
4	Veekay Apartments Private Limited	0	0.00%	196150	1.95%
5	BFM Industries Limited	196150	1.95%	196150	1.95%
6	Advani Trading Co Pvt Ltd	0	0.00%	195000	1.94%
7	Rama Garg	0	0.00%	206560	2.05%
8	Rekha Jhabak	0	0.00%	200000	1.99%
9	Kusum Devi Dugar	0	0.00%	200000	1.99%
10	Yogesh Kumar Gupta	112500	1.11	112800	1.11

## Attachment G

**Shareholding Pattern (Equity Share Capital breakup as percentage of total equity)**

Shareholding of Directors and Key Managerial Personnel

Sr. No.	Name	Date	Reason	Shareholding		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	<b>YOGESH KUMAR GUPTA</b>						
	At the beginning of the year	1-Apr-2018		112,500	1.11%	112,500	1.11%
	No Changes during the year						
	At the end of the year	31-Mar-2019		112,800	1.11%	112,500	1.11%

## Attachment H

**Indebtedness**

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	201122307	88103592		289225899
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	201122307	88103592		289225899
* Addition	18353469			18353469
* Reduction		9309615		9309615
<b>Net Change</b>	18353469	9309615		9041854
i) Principal Amount	219475776	78793977		298267753
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total ( i+ii+iii )</b>	219475776	78793977		298267753

## Attachment I

**Remuneration of Directors and Key Managerial Personnel**

Remuneration to Managing Director (MD), Whole-time Directors (WTD) and / or Manager

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total (In Rs)
		Yogesh Kumar Gupta	Rajesh Browne	Kamaljeet Singh Jaswal	
1	Gross salary	8,28,000	3,60,000	6,60,000	18,48,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil

	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil	Nil
	- as % of profit	Nil	Nil	Nil	Nil
	- others, specify	Nil	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil	Nil
	Total (A)	8,28,000	3,60,000	6,60,000	18,48,000

Attachment J

**Remuneration of Directors**

Remuneration to other Directors

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount (In Rs)
		Mr. Sanjay Arora	Mr. Nikhil Jaswal	Ms. Sangeeta Jaryal	
1	<b>Independent Directors</b>				
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	-	-	-	-
2	<b>Other Non-Executive Directors</b>	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration	-	-	-	-

Attachment K

**Remuneration of Directors and Key Managerial Personnel**

Remuneration to Key Managerial Personnel other than MD / Manager / WTD

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount
		Lavan Raheja	Kamaljeet Singh Jaswal	
	Name	Lavan Raheja	Kamaljeet Singh Jaswal	
	Designation	Company Secretary	Chief Financial Officer	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,80,000	6,60,000	8,40,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL
	- as % of profit	NIL	NIL	NIL
	- others, specify	NIL	NIL	NIL
5	Others, please specify (Bonus)	NIL	NIL	NIL
	Total	1,80,000	6,60,000	8,40,000

Attachment L

**Penalties / Punishment/ Compounding of Offences**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY			NIL		
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

For and on Behalf of the Board of Directors

Yogesh Kumar Gupta  
Chairman and Managing Director

Delhi, August 13, 2019

## REPORT ON CORPORATE GOVERNANCE

### (Pursuant to Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

This report is prepared in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), and the report contains the details of Corporate Governance systems and processes at Starlit Power Systems Limited.

At Starlit Power Systems Limited, Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders. We consider stakeholders as partners in our success, and we remain committed to maximizing stakeholders' value, be it shareholders, employees, suppliers, customers, investors, communities or policy makers.

### Statement On Company's Philosophy on Code of Governance

Our Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values. Good governance practices stem from the culture and mindset of the organization. As stakeholders across the country evince keen interest in the practices and performance of companies, Corporate Governance has emerged on the centre stage. Over the years, governance processes and systems have been strengthened at our end. In addition to complying with the statutory requirements, effective governance systems and practices towards improving transparency, disclosures, internal controls and promotion of ethics at work-place have been institutionalized. The company recognizes that good Corporate Governance is a Continuing exercise and reiterates its commitment to pursue highest standards of Corporate Governance in the overall interest of all the stakeholders.

The Company is conscious of its responsibility as a good corporate citizen. The company values transparency, professionalism and accountability.

### CODE OF CONDUCT:

In terms of the requirement of Regulation 17(5)(a) of LODR & Section 149(8) read with Schedule IV of the Companies Act, 2013, the Board of Directors of the Company, in line with the Corporate Philosophy, laid down the Code of Conduct ("Code") for all Board Members and Senior Management of the Company. The Code is displayed at the Company's website [http://starlitpower.com/\(Under Investors Section\)](http://starlitpower.com/(Under Investors Section)).

### ROLE OF THE COMPANY SECRETARY IN OVERALL GOVERNANCE PROCESS

The Company Secretary plays a key role in ensuring that the Board (including committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and senior management for effective decision-making at the meetings. The Company Secretary is primarily responsible to assist and advice the Board in the conduct of affairs of the Company, to ensure compliance with applicable statutory requirements, to provide guidance to directors and to facilitate convening of meetings.

### PERFORMANCE EVALUATION OF THE BOARD, COMMITTEES AND DIRECTORS

The Board in consultation with Nomination and Remuneration Committee annually evaluates the performance of the Board of Directors (including Committees thereof) as a whole and also of individual Directors, including Independent Directors. As an evaluation methodology, the Board may use any method(s) as it may deem appropriate in order to assess the Board's/committees effectiveness and Directors performance. Some of the indicators/criteria based on which the Independent Directors are evaluated are personal qualities, characteristics, substantial business/professional experience, experience and stature, ability and willingness to devote time etc.

Pursuant to the provisions of the Companies Act 2013 and the provisions of LODR, the Board has carried out an annual evaluation of its own performance, performance of the Directors individually as well as the evaluation of its Committees.

### **INDEPENDENCE AND FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS**

The Company follows a well-structured induction programme for orientation and training of Directors at the time of their joining so as to provide them with an opportunity to familiarise themselves with the Company, its management, its operations and the industry in which the Company operates.

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the Compliance required from him under the Companies Act, 2013, the Listing Regulations and other relevant regulations and affirmation taken with respect to the same.

The induction programme includes:

- 1) For each Director, a one to one discussion with the Chairman and Managing Director to familiarise the former with the Company's operations.
- 2) An opportunity to interact with the CEO, CFO & Company Secretary, business heads and other senior officials of the Company, who also make presentations to the Board members on a periodical basis, briefing them on the operations of the Company, strategy, risks, new initiatives, etc.

As per Section 149(7) of the Companies Act, 2013, the Company has received declaration of independence from all the Independent Directors as on 31st March, 2019.

## **2. BOARD OF DIRECTORS**

### **I. Composition**

The board of director of your company as on 31<sup>st</sup> March, 2019 consisted of 5 directors as under:

- Two are Executive Directors including Chairman Cum Managing Director.
- Three are independent directors.

The current policy of your company is to have an appropriate mix of Executive and Independent Directors in order to maintain the independence of the Board, and to separate the Board functions of governance and management. The Board has an optimum combination of Executive and Non-Executive directors and half of board consisted of independent directors including one woman Director.

No director is related to any other director on the board in terms of definition of "Relative" given under Companies Act, 2013.

### **II. ATTENDANCE AT THE BOARD MEETING, LAST ANNUAL GENERAL MEETING AND NUMBER OF OTHER DIRECTORSHIPS AND CHAIRMANSHIPS/ MEMBERSHIPS OF COMMITTEES OF EACH DIRECTOR IN VARIOUS COMPANIES.**

Membership and Chairmanship of all directors who are on various Committees, the composition of the Board and the number of outside Directorship and Committee position as held by each of the Directors during the financial year ended 31<sup>st</sup> March, 2019 is as follows:-



Name of the Director	DIN	Category (i.e. Promoter, Executive, Non-Executive, Independent)	No. of Board Meetings of the Company F.Y. 2018-2019		Attendance at the Last AGM	As on 31-03-2019		
			Held during the year (eligible)	Attended during the year		No. of Directorship in other Public Co.	Committee membership	Chairman in Committees in which they are members
Shri Rajesh Browne (28.11.2018 to 30.06.2019)	02791880	Managing Director	03	00	NO	NIL	NIL	NIL
Yogesh Kumar Gupta	00315397	Chairman cum Managing Director	05	03	YES	NIL	NIL	NIL
Shri Kamaljeet Singh Jaswal	02340493	Whole Time Director	08	08	YES	NIL	NIL	NIL
Shri Sachin Shridhar (Resigned on 22/11/2018)	00243186	Executive, Non-Independent Director	05	03	YES	NIL	NIL	NIL
Shri Sanjay Arora	05337421	Independent Director	08	05	YES	NIL	02	01
Smt. Sangeeta Jaryal	08024106	Independent Director	08	08	YES	NIL	NIL	NIL
Shri Sunil Pahilajani (Resigned on 03/10/2018)	00455878	Independent Director	04	00	YES	NIL	NIL	NIL
Shri Nikhil Kanwar (Appointed on 28/11/2018)	08288768	Independent Director	03	03	NO	NIL	02	01

**Notes:**

None of the directors on the board is a member of more than 10 committees or chairman/chairperson of more than 5 committees as specified in Regulation 26, across all the companies in which he/she is a director. The directors have made necessary disclosures regarding committees positions held in other public limited companies.

None of the Directors had any relationships inter-se.

None of the Independent Directors of the Company serves as an Independent Director in more than seven Listed Companies and where any Independent Director is serving as whole-time director in any listed company, such director is not serving as Independent Director in more than three listed companies.

During the Financial year 2018-2019, eight (08) Board meeting were held on, 30<sup>th</sup> May 2018, 14<sup>th</sup> August 2018, 11<sup>th</sup> September 2018, 03<sup>rd</sup> October 2018, 14<sup>th</sup> November 2018, 28<sup>th</sup> November 2018, 21<sup>st</sup> January 2019, 13<sup>th</sup> February 2019, and Gap between two consecutive Board Meetings did not exceed 120 days.

Necessary information where applicable as mentioned in Part A of Schedule II of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 has been placed before board of its consideration.

## Skills/Expertise/Competence of the Board Of Directors

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

- i) Knowledge on Company's businesses policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates
- ii) Behavioral skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company
- iii) Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making.
- iv) Financial and Management skills
- v) Technical / Professional skills and specialized knowledge in relation to Company's business

## BOARD LEVEL COMMITTEES

In accordance with the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on Corporate Governance, the following committees were in operation:

1. Audit Committee
2. Stake Holders Relationship Committee
3. HR, Nomination and Remuneration Committee

### III. AUDIT COMMITTEE

#### a. Terms of Reference

The Audit Committee has been constituted as per provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015. The scope of activities and powers of the Audit Committee includes the areas as prescribed under Regulation 18 of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 and Section 177 of the Companies Act, 2013. The Audit Committee is responsible for effective supervision of the financial reporting process, ensuring financial and accounting controls and compliance with financial policies of the Company.

#### b. Composition

The composition of Audit Committee of the board as on 31<sup>st</sup> March, 2019 comprises Mr. Sanjay Arora as its Chairman, Mr. Kamaljeet Singh Jaswal, and Mr. Nikhil Kanwar as its Members. Mr. Sanjay Arora, an independent director, having adequate financial and accounting qualification and expertise, is the chairman of the audit committee. Other members of the committee are also financially literate. Mr. Lavan Raheja, Company Secretary of your company acts as the Secretary to the Committee.

#### c. Attendance

The Committee met Four (4) times during the Financial Year 2018-2019 on the following dates: 30<sup>th</sup> May, 2018, 14<sup>th</sup> August, 2018, 14<sup>th</sup> November, 2018 and 13<sup>th</sup> February, 2019. Necessary Quorum was present at all the meetings. Details of attendance of Directors in the Audit Committee meeting are as under:

Name of the Director	Category	No. of meetings	
		Held during the Year	Attended
Mr. Sanjay Arora	Independent Director / Chairman	4	4
Mr. Kamaljeet Singh Jaswal	Executive Director	4	4
Mr. Nikhil Kanwar (inducted as	Independent Director	1	1

member on 28.11.2018)			
Mr. Sunil Pahilajani (Resigned on 03.10.2018)	Independent Director	2	2

#### IV. NOMINATION AND REMUNERATION COMMITTEE (NRC)

##### a. Composition & Terms of Reference

The Company has a duly constituted Nomination and Remuneration Committee's ("NRC"). The NRC's constitution and terms of reference are in compliance with provisions of the Section 178 of Companies Act, 2013, rules made there under and Regulation 19 of LODR. The Remuneration Committee was constituted to approve the remuneration payable to Managing Director and Whole time Director/ Executive Director of the Company within the range approved by shareholders. Thus the Committee shall have the meetings as and when so required.

The Committee met Twice during the Financial Year 2018-2019 on 28<sup>th</sup> November, 2018 and 13<sup>th</sup> February 2019. The necessary quorum was present at all meetings. Details of attendance of Directors in the Remuneration Committee meeting are as under:

Name of the Director	Category	No. of Meetings	
		Held during the Year	Attended
Mr. Sunil Pahilajani (Resigned on 03.10.2018)	Independent Director/ Chairman	0	0
Mr. Sanjay Arora	Independent Director	2	2
Mr. Nikhil Kanwar (inducted as member on 28.11.2018)	Independent Director/ Chairman	1	1
Mr. Sangeeta Jaryal	Independent Director	2	2

##### b. Remuneration Policy

The Company pays remuneration to its Managing Director and Whole Time Director by way of salary, perquisites and allowances (a fixed component) within the range approved by the members as per the provisions of the Companies Act, 2013. Independent Directors are also entitled for the sitting fee for attending Board/ Committee Meeting.

##### c. Details of the Directors' Remuneration for the financial year ended 31<sup>st</sup> March, 2019

Name	Salary (Rs.)	Perks (Rs.)	Commission (Rs.)	Sitting Fees ( per meeting) (Rs.)	Total (Rs.)	No.of shares held
Shri Yogesh Kumar Gupta	9,41,500	-	-	-	9,41,500	1,12,800
Shri Rajesh Browne	3,60,000	-	-	-	3,60,000	Nil
Shri Kamaljeet Singh Jaswal	6,96,000	-	-	-	6,96,000	Nil
Shri Sanjay Arora	-	-	-	-	-	Nil
Shri Nikhil Jaswal	-	-	-	-	-	Nil
Smt. Sangeeta Jaryal	-	-	-	-	-	Nil

#### V. SHAREHOLDERS RELATIONSHIP COMMITTEE

##### a. Composition:

The Company has a duly constituted Stakeholders Relationship Committee (“SRC”). The SRC’s constitution and terms of reference are in compliance with provisions of the Section 178 of Companies Act, 2013, rules made there under and Regulation 20 of LODR. The Stakeholders Grievances Committee of the Board as at 31<sup>st</sup> March, 2019 consisted of three members. Mr. Sunil Pahilajani, Independent Director of the Company was the Chairman of the Committee till 03<sup>rd</sup> October 2018 after that Mr. Nikhil Kanwar, Independent Director of the Company head the chair of the meeting, Mr. Sanjay Arora Independent Director and Ms. Sangeeta Jaryal, Independent Director are the members of the Committee.

**b. Terms of Reference**

In compliance with requirement of Regulation 34(3) SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company has constituted an “Investors Grievance Committee” to look into Redressal of shareholders/investors grievances relating to Non-receipt of notices, share certificates, annual report, dividends, transfer of shares and dematerialization of shares. Oversee and review all matters connected with transfer of Company’s securities. Approve issue of duplicate shares / debentures certificates.

**c. Meetings and attendance during the year**

During the financial year no meeting of the Stakeholders Grievances committee was held.

**d.** Mr. Lavan Raheja, is the Compliance Officer of the Company for this purpose of Regulation 34(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 to look after the compliances under SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 and other SEBI Rules & Regulations etc. The Company Secretary, while preparing the agenda, notes on agenda and minutes of the meeting(s), is responsible for and is required to ensure adherence to all applicable laws and regulations, including the Companies Act, 2013 read with rules issued there under, Listing Regulations and Secretarial Standards issued by the Institute of Company Secretaries of India.

**E.COMPLIANCE OF CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND REGULATION 46(2)(B) TO (I) OF LISTING REGULATIONS**

The Company has fully complied with the applicable requirements specified in Reg. 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46.

**e. RECORDING MINUTES OF PROCEEDINGS AT BOARD AND COMMITTEE MEETINGS**

The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board / Committee members for their comments as prescribed under Secretarial Standard-1. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting.

**SHARE TRANSFER SYSTEM**

The Company has appointed a common Registrar i.e. M/s Bigshare Services Pvt. Ltd for share transfer and dematerialisation of shares. To expedite the process of share transfers the Board has delegated the power of share transfer to M/s Bigshare Services Pvt. Ltd viz. Registrar and Share Transfer Agents who will attend to the share transfer formalities at least once in fortnight. Their contact details are as follows;

**M/s Bigshare Services Pvt. Ltd**

E4/8, Block E 4, Jhandewalan Extension,  
Jhandewalan, New Delhi, Delhi 110055

e. Details of investor complaints received, redressed and pending during the financial year Ended 31<sup>st</sup> March, 2019.

Pending at the beginning of the year	Received during the year	Redressed/replied during the year	Pending at the end of year
Nil	Nil	Nil	Nil

## VI. GENERAL BODY MEETINGS

### A. Particulars of past three Annual General Meetings of the Company:

Year	Date	Venue	Time
2016	30.09.2016	A-1/20, LGF, Safdarjung Enclave, New Delhi-110029	11:30 A.M.
2017	28.09.2017	A-1/244, B/M, Safdarjung Enclave, New Delhi- 110029	12:30 P.M.
2018	25.09.2018	Amaltas, 6 Green Park Main, New Delhi-110016	09:00 A.M.

### B. Special Resolution passed in last three Annual General Meeting of the Company:

Date of AGM	Discriptions of Special Resolution(s)
25/09/2018	a) Appointment of following Independent Directors. Mr. Sunil Pahilajani Ms. Sangeeta Jaryal b) Approval under section 62 and 186 of the Companies Act, 2013 for conversion of loan taken an amount 3.17 cr. To equity share capital or any other instrument as is considered desirable by the company. c) Approval under section 56 of the Companies Act, 2013 for change in Management Stricture of the Company in accordance with revival Plan issued by the Punjab National Bank (Lander) to the Company.
28.09.2017	Approval under section 180 (1)© of the Companies Act, 2013 for an amount not Exceeding Rs. 200 Crores.
30.09.2016	Approval under section 180 (1)© of the Companies Act, 2013 for an amount not Exceeding Rs. 200 Crores.

## VII. DISCLOSURES

Compliance with Mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, The Company has complied with all the applicable mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

1. Related Party Transactions: All transactions entered into with Related Parties as defined under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013.

All such transactions were reviewed and approved by the Audit Committee. Prior omnibus approvals are granted by the Audit Committee for related party transactions which are of repetitive nature, entered in the ordinary course of business and are on arm's length basis in accordance with the provisions of Companies Act, 2013 read with the Rules issued there under and the Listing Regulations.

There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards has been made in the notes to the Financial Statements. A statement in summary form of transactions with related parties in the ordinary course of business and arm's length basis is periodically placed before the Audit Committee for approval.

2. The Company has complied with the requirements of stock exchanges or SEBI on matters related to Capital Markets, as applicable. Neither were any penalties imposed, nor were any strictures passed by Stock Exchange or SEBI or any statutory authority on any capital market related matters during the last three years.

3. Code of Conduct: The Company has adopted a Code of Conduct for the members of the Board of Directors and the senior management of the Company. The Code of Conduct is displayed on the website of the Company. All the directors and the senior management personnel have affirmed compliance with the code for the Financial Year ended 31<sup>st</sup> March 2019. A declaration to this effect, signed by the Chief executive officer is annexed to this report.
4. Whistleblower Policy: The Company has a vigil mechanism/whistle blower policy. No personnel of the Company has been denied access to the Audit committee and whistle blower mechanism enabling stakeholders, including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices.
5. Policy on Material Subsidiaries: The Company has framed a Policy for determining Material Subsidiaries and the same is available on the website of the Company [www.starlitpower.com](http://www.starlitpower.com).
6. During the Financial Year ended 31<sup>st</sup> March, 2019 the Company did not engage in commodity hedging activities.
7. During the Financial Year ended 31<sup>st</sup> March, 2019, the Company did not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A).
8. During the Financial Year ended 31<sup>st</sup> March, 2019 no Independent Director resigned before the expiry of his tenure.
9. During the Financial Year ended 31<sup>st</sup> March, 2019 the Company has not issued any debt instruments or fixed deposit programme involving mobilization of funds, whether in India or abroad.
10. A certificate from a company secretary in practice confirming that none of the Directors on the Board of the company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority, is annexed to this report.
11. There have been no instances of non-acceptance of any recommendations of the any Committee by the Board during the Financial Year under review.
12. During the year from April 1, 2018 to March 31, 2019 the Company has not received any complaint under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. At the end of March 31, 2019, no complaint was pending for redressal.
13. The necessary certificate under Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to this report.
14. Management Discussion and Analysis Report - The Management Discussion and Analysis has been discussed in detail separately in this Annual Report.
15. Compliance Certificate from Practicing Company Secretary: Certificate from Practicing Company Secretary confirming compliance with conditions of Corporate Governance as stipulated in Regulations Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to this report.
16. Other disclosures as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been given at relevant places in the Annual Report.
17. Non-mandatory requirements—Adoption of non-mandatory requirements of the Listing Regulations is being reviewed by the Board from time to time.
18. There has been no instance of non-compliance of any requirement of Corporate Governance Report.

## **VIII. MEANS OF COMMUNICATION / INVESTORS' COMMUNICATION**

- The quarterly and half-yearly/Annual financial results are forthwith communicated to the Bombay Stock Exchange (BSE) where the shares of the Company are listed, as soon as they are approved and taken on record by the Board of Directors.
- Financial Results are published in leading newspapers, one English newspaper and one Hindi newspaper.
- The financial results are also put up on Company's website [www.starlitpower.com](http://www.starlitpower.com).

## **IX. INFORMATION TO SHAREHOLDERS**

### **A. REGISTERED AND CORPORATE OFFICE**

LGF A 1/20 Safdarjung Enclave,  
New Delhi - 110 029

### **ANNUAL GENERAL MEETING**

The date, time & venue of the next Annual General Meeting and the next Book Closure date will be as per the Notice calling the Annual General Meeting.

### **B. Financial Year - 1<sup>st</sup> April to 31<sup>st</sup> March every year.**

<b>Events</b>	<b>Tentative time frame</b>
Financial Reporting for the first quarter ended 30 <sup>th</sup> June, 2019	Second Week of August, 2019
Financial Reporting for the second quarter ending 30 <sup>th</sup> September, 2019	Second Week of November, 2019
Financial Reporting for the third quarter ending 31 <sup>st</sup> December, 2019	Second Week of February, 20120
Financial Reporting for the fourth quarter ending 31 <sup>st</sup> March, 2020	Fifth Week of May, 2020

### **C. Dates of Book Closure**

The share transfer book and register of members of the company will remain closed from 21<sup>st</sup> September, 2019 to 25<sup>th</sup> September, 2019 (both days inclusive) for the purpose of the annual general meeting of the company.

**D. Dividend Payment Date** - Not applicable.

### **E. Listing on Stock Exchanges:**

The Shares of the Company are listed on the Bombay Stock Exchange.

### **F. BSE Stock Code/ Symbol: 538733**

Demat ISIN in NSDL and CDSL for equity shares: **INE909P01012**.

### **G. Market Price Data:**

#### **The Bombay Stock Exchange**

<b>Month</b>	<b>High</b>	<b>Low</b>
April, 2018	20.50	12.50
May, 2018	15.40	8.06
June, 2018	13.45	8.76
July, 2018	15.94	9.11
August, 2018	15.00	11.40
September, 2018	15.00	13.56
October, 2018	14.16	8.65
November, 2018	8.30	07.25
December, 2018	8.30	07.60
January, 2019	16.53	8.60
February, 2019	15.80	11.60
March, 2019	11.70	10.60

### **H. Registrar and Share Transfer Agent & Share Transfer System:**

M/s. Bigshare Services Private Limited is the Registrar and Share Transfer Agent for the shares of the Company. The Company has authorized the Registrar and Transfer Agent to approve and execute transfer and transmission of

shares. All correspondence with regard to share transfers and matters related therewith may directly be addressed to the Registrar and Share Transfer Agents at the address given below:

Particulars	BIGSHARE SERVICES PRIVATE LIMITED
Contact Person	Mr Mukesh Kumar
Address	302, Kushal Bazar 32-33, Nehru Place, New Delhi-110019
Phone Nos.	011-42425004, 47565852
Email ID	<a href="http://www.bigshareonline.com">www.bigshareonline.com</a>

#### I. Distribution of Shareholding as on 31<sup>st</sup> March 2019:

Slab of Shareholding (Rs.)	No. of Shareholders	% of Shareholders	Amount in Rs.	% of Shareholding
1-5000	188	57.4924	203150	0.2018
5001-10000	19	5.8104	169080	0.1680
10001-20000	10	3.0581	178110	0.1770
20001-30000	3	0.9174	69470	0.0690
30001-40000	2	0.6116	71520	0.0711
40001-50000	3	0.9174	150000	0.1490
50001-100000	68	20.7951	6715550	6.6723
100001 and above	34	10.3976	93091780	92.4918
<b>Total</b>	<b>327</b>	<b>100.00</b>	<b>100648660</b>	<b>100</b>

#### J. Categories of Shareholders as per Clause 31 of SEBI (LODR) Regulations, 2015.

Category	No. of Shareholders	% of Shares	Total
Promoters	8	29.07	2926059
Mutual Funds	0	0	0
Banks & Financial Institutions	0	0	0
Insurance Companies	0	0	0
Central Govt./ State Govt	0	0	0
FII	0	0	0
Bodies Corporate	14	26.96	4330248
Individuals	300	19.63	1975810
NRIs & OCB	1	24.04	2420000
Others	3	0.29	29460

#### K. Dematerialization of shares and liquidity:

As on 31<sup>st</sup> March, 2019, a total of **100648660 shares** of the company, which forms **100%** of Company's Share Capital, stands in dematerialized form. The company has entered into agreements with Central Depository Services Limited (CDSL) for this purpose. The Company's shares are regularly traded on the Bombay Stock Exchange.



**L. Plant Locations:**

UNIT-1

Indri Road, Vill. Atta,  
Shona Near Gurgaon,  
Haryana- 122103.

**M. Address for Correspondence:**

The shareholders may send their grievances/ queries to the Registrar and Share Transfer Agents at their Address mentioned above or to the Company at:

1. **Secretarial Department**  
Starlit Power Systems Limited,  
A-1/51, LGF, Safdarjung Enclave,  
South Delhi-110029  
e-mail: [secretarial@starlitgroup.net](mailto:secretarial@starlitgroup.net)
2. **M/s. Bigshare Services Pvt.Ltd.,**  
302, Kushal Bazar  
32-33, Nehru Place, New Delhi-110019  
e-mail:beetalrta@gmail.com

**N. Unclaimed Dividends**

**NILX. Non- Mandatory Requirements:**

The Company at present has not adopted the non-mandatory requirements in regards to sending of half-yearly financial performance to the shareholder's at their residence. Postal Ballots as required by the Companies Act will be followed by the company.

For and on Behalf of the Board of Directors

Mr. Yogesh Kumar Gupta  
Chairman and Managing Director  
Delhi, August 13, 2019

## **CEO AND CFO CERTIFICATION**

**CERTIFICATE IN PURSUANT TO REGULATION 17(8) OF THE  
SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS,  
2015 FOR THE YEAR ENDED 31ST MARCH, 2019**

### CEO / CFO Certificate

To,  
The Board of Directors  
Starlit Power Systems Limited

1. We have reviewed financial statements and the cash flow statement of Starlit Power Systems Limited for the year ended 31<sup>st</sup> March, 2019 and to the best of our knowledge and belief:
  - i. These statements do not contain any materially untrue statement or omission of any material Fact or contain statement that might be misleading.
  - ii. These statements together present a true fair view of the Company's affairs and are in compliance with applicable Accounting Standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee:
  - i. significant changes in internal control over financial reporting during the year;
  - ii. significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statement; and
  - iii. there are no instances of significant fraud of which we have become aware.

**Kamaljeet Singh Jaswal**  
Chief Financial Officer

**Yogesh Kumar Gupta**  
Chairman and Managing Director  
Delhi, August 13, 2019

## **CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

*(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015)*

**To**  
**The Members of**  
**M/s Starlit Power Systems Limited**  
**A 1/51 LGF Safdarjung Enclave**  
**Delhi 110029**

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **STARLIT POWER SYSTEMS LIMITED** having **CIN: L37200DL2008PLC174911** and having registered office at A-1/51, LGF, Safdarjung Enclave New Delhi 110029 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal ([www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial year ended on 31<sup>st</sup> March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S.No.	Name of Director	DIN	Date of appointment
1	Yogesh Kumar Gupta	00315397	03/07/2019
2	Kamaljeet Singh Jaswal	02340493	29/03/2012
3	Sanjay Arora	05337421	13/01/2015
4	Sangeeta Jaryal	08024106	19/12/2017
5	Nikhil Kanwar	08288768	28/11/2018

Ensuring the eligibility of for the appointment /continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sd/-

**(CS Vikram Talwar)**

*Practicing Company Secretary* Place: Delhi  
ACS – 55890 / CP No.- 21290 Dated: 20<sup>th</sup> June, 2019

## INDEPENDENT AUDITOR'S REPORT

To the members of Starlit Power System Limited

### Report on the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone Financial statements of **Starlit Power System Limited**(‘the Company’), which comprise the Balance Sheet as at 31st March, 2019, and the Statement of Profit and Loss, and statement of cash flow for the year ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Financial statements give the information required by the Acting the manners required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, and profit/loss, and its cash flow for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our audit report:

#### **Ind-AS 23: Borrowing cost**

The company has borrowing of Rs. 23.95 crore secured against current and fixed assets of the company. Borrowings have been secured by collateral securities, detail of which has been reported in Note no.13 to the standalone balance sheet.

#### **Auditors Response:**

Principal Audit procedure

Obtained Details of borrowings from the management and verified from Bank statement.

#### **Management’s Responsibility for the Financial Statements**

The Company’s Board of Directors is responsible for the matters in section134(5) of the Companies Act, 2013(‘the Act’)with respect to the preparation and presentation of the standalone Financial statements that give a true and fair view of the financial position, financial performance, and cash flow 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 Rule7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibility for the Audit of the Financial Statements**

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

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013 we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements, or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationship and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequence of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order 2016, issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we enclose in **Annexure 'A'**, a statement on the matters specified in paragraphs 3 & 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 appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) On the basis of written representations received from the directors as on 31 March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2019, from being appointed as a director in terms of Section 164(2) of the Act;
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refers to our separate Report in "Annexure B" which is based on the Auditor's Report of the Company. Our report express and unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over reporting of the Company;
  - g) Attention is Invited to Note No.1 (12) stating that liability in respect of Leave Encashment and Gratuity has not been ascertained by the management till date and no provision in this regard as per IND AS-19(AS-15) has been made by the Company;
  - h) Attention is invited to Note no.25 stating that some of balance of debtors, creditors and loans and advances are subject to confirmation from respective parties. We have relied on the representation of the management that no significant impact is expected on the working results of the company on this account:
  - i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company has disclosed the impact of pending litigation on its financial position in its financial statements.
    - (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivatives contracts in financial statements; and
    - (iii) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.

**For D M A R K S & Associates**

Chartered Accountants

(Firm Registration No: 006413N)

**Dev Dhar Nagpal**

(Partner)

Membership Number: 085366

Place: Delhi

Date: 29<sup>th</sup> May, 2019

**Annexure A to the Independent Auditors' Report**

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2019, we report that:

- (i)
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.
- (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.
- (ii)
- a. The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is necessary.
  - b. The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
  - c. The company is maintaining proper records of the inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) The Company has not granted any loans to bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- (iv) 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 Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.
- (vi) We have broadly reviewed the Cost Records maintained by the company as prescribed by the Central Government under sub section (1) of the Companies Act 2013 and are of the opinion that prima facie, the prescribed account and records have been maintained. We have however not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii)

- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, GST, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year. However there are certain delay observed in deposition of dues by the Company with the appropriate authorities in India. The Arrear as on 31st march 2019 on the aforesaid dues were as below:

1.	VAT Payable	Rs. 5,46,960/-
2.	Central Excise Payable	Rs. 5,35,680/-

- (b) According to the information and explanations given to us, there are no material dues of wealth tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) During financial year 2017-18 over due amount of outstanding with Punjab National Bank has been converted into a term loan by bank in consideration of revival proposal submitted by company.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable. Based on the information and explanation given to us by the management term loan were applied for the purpose for which the loans were obtained.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) Company has not made preferential allotment during the year. According to the information and explanations give to us and based on our examination of the records of the Company, the Company fulfils all the compliance requirement regarding preferential allotment.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve bank of India Act 1934.

**For D M A R K S & Associates**

*Chartered Accountants*

(Firm Registration No: 006413N)

**Dev Dhar Nagpal**

(Partner)

Membership Number: 085366

Place: Delhi

Date: 29<sup>th</sup> May, 2019

**Annexure - B to the Auditors' Report****Report on the Internal Financial Controls Over Financial Reporting 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 Starlit Power System Limited ('the Company'), as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that:

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **D M A R K S & ASSOCIATES**

(Chartered Accountants)

Firm's Registration Number: 006413N

Dev Dhar Nagpal

(Partner)

Membership Number: 085366

Place: New Delhi

Date: 29<sup>th</sup> May, 2019

## Standalone Balance Sheet as at 31st March 2019

(All amounts in lacs unless otherwise stated)

Particulars	Note No	As at 31.03.2019	As at 31.03.2018
<b>Assets</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment		13,16,32,774.00	14,09,00,864.00
(b) Capital work-in-progress	3	5,59,19,487.00	5,59,19,487.00
(c) Intangible Assets		72,580.00	1,10,448.38
(d) Financial Assets			
i. Investments	4	10,00,000.00	10,00,000.00
ii. Loans & Advances	5	46,11,600.00	46,05,376.00
iii. Trade Receivables			
iv. Others			
(e) Deferred tax assets (net)	6	4,82,07,879.00	3,73,69,406.00
(f) Other non-current assets			
<b>Total non current assets</b>		<b>24,14,44,320.00</b>	<b>23,99,05,581.00</b>
<b>(2) Current Assets</b>			
(a) Inventories	7	3,88,39,172.00	3,72,61,910.00
(b) Financial Assets			
i. Investments			
ii. Trade Receivables	8	5,15,71,180.00	5,22,06,829.00
iii. Cash and cash equivalents	9	14,34,527.00	48,83,332.80
iv. Loans & Advances	10	76,72,433.00	16,41,171.83
iv. Others			
(c) Other current assets		-	
<b>Total Current assets</b>		<b>9,95,17,312.00</b>	<b>9,59,93,243.63</b>
<b>Total Assets</b>		<b>34,09,61,632.00</b>	<b>33,58,98,825.00</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity share capital	11	10,06,48,660.00	10,06,48,660.00
(b) other equity	12	(16,21,05,994.00)	(12,51,52,985.00)
Total Equity		(6,14,57,334.00)	(2,45,04,325.00)
<b>(2) Liabilities</b>			
<b>(I) Non-Current Liabilities</b>			
(a) Financial Liabilities			
i. Borrowings	13	29,82,69,753.00	28,92,25,897.00
ii. Others			
(b) Provisions			
(c) Deferred Tax Liabilities (Net)			
(d) Other non-current liabilities			
<b>Total Non Current Liabilities</b>		<b>29,82,69,753.00</b>	<b>28,92,25,897.00</b>
<b>(II) Current Liabilities</b>			
(a) Financial Liabilities			
i. Borrowings	14	2,01,65,288.00	1,95,13,631.00
ii. Trade Payables	15	7,57,20,831.00	4,58,16,188.00
iii. Others			
(b) Other Current liabilities	16	82,63,094.00	58,47,433.00
(c) Provisions		-	-
<b>Total Current Liabilities</b>		<b>10,41,49,213.00</b>	<b>7,11,77,252.00</b>
<b>Total Liabilities</b>		<b>40,24,18,966.00</b>	<b>36,04,03,149.00</b>
<b>Total Equity and Liabilities</b>		<b>34,09,61,632.00</b>	<b>33,58,98,825.00</b>

For, D M A R K S & Associates  
 Chartered Accountants  
 Firm's Registration No.006413N

For and on behalf of the Board of Directors of  
 Starlit Power Systems Limited

D D Nagpal  
 FCA  
 Membership No. 085366

Rajesh Browne  
 Chairman & MD  
 DIN : 02791880

Kamaljeet Singh Jaswal  
 CFO & WTD  
 DIN : 02340493

Lavan Raheja  
 Company Secretary  
 Membership No:55438

Date: 29.05.2019  
 Place: New Delhi

**Statement of Profit & Loss Account For Period ended on 31st March 2019**

Particulars	Note No	For the period ended 31.03.2019	For the period ended 31.03.2018
Revenue from operations	17	12,81,32,609.00	7,22,91,150.00
Other Income	18	1,23,28,046.00	1,03,57,924.00
<b>Total Revenue</b>		<b>14,04,60,655.00</b>	<b>8,26,49,074.00</b>
<b><u>Expenses:</u></b>			
Cost of material consumed	19	12,10,65,674.00	6,02,52,604.00
Purchase of Stock-in-Trade			
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	20	51,66,922.00	19,65,910.00
Employee benefit expense	21	1,24,67,301.00	84,98,810.00
Financial costs	22	2,29,31,801.00	1,81,16,959.75
Depreciation and amortization expense	3	99,71,059.00	1,00,01,616.00
Other expenses	23	2,00,19,362.00	2,83,85,669.00
<b>Total Expenses</b>		<b>19,16,22,119.00</b>	<b>12,72,21,568.75</b>
<b>Profit before exceptional items and tax</b>		(5,11,61,464.00)	(4,45,72,494.75)
Exceptional Items			
<b>Profit before tax</b>		(5,11,61,464.00)	(4,45,72,494.75)
<b>Tax expense:</b>		(1,08,38,473.00)	2,02,13,154.29
(1) Current tax			
(2) Deferred tax	6	(1,08,38,473.00)	2,02,13,154.29
<b>Profit after tax</b>		<b>(4,03,22,991.00)</b>	<b>(6,47,85,649.04)</b>
Other Comprehensive Income			-
<b>Profit/(Loss) for the period</b>		<b>(4,03,22,991.00)</b>	<b>(6,47,85,649.04)</b>
<b>Earning per equity share:</b>			
(1) Basic		(4.01)	(6.44)
(2) Diluted		(4.01)	(6.44)

For, D M A R K S & Associates  
Chartered Accountants  
Firm's Registration No.006413N

For and on behalf of the Board of Directors of  
Starlit Power Systems Limited

D D Nagpal  
FCA  
Membership No. 085366

Rajesh Browne  
Chairman & MD  
DIN : 02791880

Kamaljeet Singh Jaswal  
CFO & WTD  
DIN : 02340493

Lavan Raheja  
Company Secretary  
Membership No:55438

Date: 29.05.2019  
Place: New Delhi

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2019**

<b>PARTICULARS</b>	<b>2018-19</b>	<b>2017-18</b>
	Rs.	Rs.
CASH FLOW FROM OPERATING ACTIVITIES :		
NET PROFIT BEFORE TAX & EXTRAORDINARY ITEMS :	(5,11,61,464)	(4,45,72,495)
ADJUSTMENTS FOR:-		
Depreciation	99,71,059	1,00,01,616
Interest Income	(2,321)	(1,25,200)
Preoperative Expenses W/o	33,69,981	33,69,981
Adjustments in Fixed assets	-	-
Loss on sale of fixed assets	-	99,95,549
Interest Charges	2,29,31,801	1,81,16,960
Operating profits before working capital changes :	(1,48,90,944)	(32,13,589)
ADJUSTMENTS FOR:-		
Inventories	(15,77,262)	(1,38,39,895)
Sundry debtors	6,35,649	(79,38,811)
Trade & other receivables	(60,31,261)	1,44,94,976
Trade payables & other liabilities	3,23,20,304	(2,69,70,877)
short term provision	-	-
Cash generated from (used) in operation	1,04,56,486	(3,74,68,196)
Direct taxes paid	-	-
Net Cash flow from operating activities (A)	1,04,56,486	(3,74,68,196)
CASH FLOW FROM INVESTMENT ACTIVITIES :		
Purchase of fixed assets	(6,65,101)	(13,141)
Sale of fixed assets	-	13,80,000
Transfer of fixed assets	-	0
Increase Decrease In Loan & Advances	(6,224)	255230
Interest received	2,321	1,25,200
Net Cash flow used in investment activities (B)	(6,69,004)	17,47,289
CASH FLOW FROM FINANCING ACTIVITIES :		
Loan paid/recovered	90,43,856	19,20,36,087
Interest paid	(2,29,31,801)	(1,81,16,960)
Increase / decrease in term loans ( net )	-	-
Increase / decrease in cash credits from banks	6,51,657	(13,37,46,584)
Net Cash flow used in financing activities (C)	(1,32,36,288)	4,01,72,543
Cash Flow from Extraordinary items (D)	-	-
Increase in cash flow from extraordinary Items	-	-
Net Increase/decrease in cash and cash equivalents : ( A+B+C+D )	(34,48,806)	44,51,636
Cash & cash equivalents at opening	48,83,333	4,31,697
Cash & cash equivalents at closing	14,34,527	48,83,333

**For, D M A R K S & Associates**  
Chartered Accountants  
Firm's Registration No.006413N

For and on behalf of the Board of Directors of  
Starlit Power Systems Limited

**D D Nagpal**  
FCA  
Membership No. 085366

**Rajesh Browne**  
Chairman & MD  
DIN : 02791880

**Kamaljeet Singh Jaswal**  
CFO & WTD  
DIN : 02340493

**Lavan Raheja**  
Company Secretary  
Membership No:55438

Date: 29.05.2019  
Place: New Delhi

## **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER EXPLANATORY INFORMATION for the year ended 31 March 2019**

### **1. Corporate information, basis of preparation and summary of significant accounting policies**

#### **1. Basis of Preparation of Financial Statements**

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (Indian GAAP) under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value (if any). GAAP comprise mandatory accounting standards as prescribed by the companies (Accounting Standard) Rules, 2014 and the provision of the Companies Act, 2013. Accounting Policies Have been consistently applied except where a newly issued accounting standards as initially adopted or are vision to an existing accounting standard requires a change in the accounting policy hereto in use.

#### **2. Use of Estimates**

The preparation of financial statements requires estimate and assumption to be made that the effect reported amount of assets and liabilities on the date of the financial statement and the reported amount of revenue and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known\materialized.

#### **3. Accounting for Fixed Assets**

Fixed assets are stated at their cost of construction or acquisition less depreciation, amortization and impairment loss, if any. All costs attributable to bring the fixed assets to a working condition are capitalized. MODVAT/CENVAT availed for purchase of fixed assets is deducted from the cost in respect of certain land, cost of development is capitalized.

#### **4. Intangible Assets**

Intangible Assets are stated at cost of acquisition less accumulated amortization.

#### **5. Depreciation Accounting**

- i.) Depreciation on fixed assets is provided at the rates and in the manner specified in schedule -II of the Companies Act, 2013 on Straight Line Method basis during the year.
- ii.) Individual Assets costing less than Rs. 5000/- are depreciated in full in the year of purchase.
- iii.) Intangible Assets are amortized over a period of 5 years.

#### **6. Impairment of Assets**

The carrying amounts of assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment recoverable amount of assets is determined. An Impairment Loss is recognized whenever the carrying cost of assets except the recoverable amount is greater of assets net selling price or its value in use. In assessing the value of assets in use, the estimates future cash flows from the use of assets are discounted in their present value at appropriate rate. An impairment loss is revised if there has been change in the recoverable amount and such loss either no longer exists or has decreased. Impairment loss/reversal thereof is adjusted to the carrying value or the respective assets.

#### **7. Foreign Currency Transaction**

- i.) Foreign Currency transactions are recorded at the exchange rates prevailing at the date of the transaction.
- ii.) Monetary items determinate in foreign currencies are reported using the closing rate at the year end. Non Monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.
- iii.) The gain and losses arising out of settlement or on transaction is recognized as Income/Expenditure, as the case may be, in the statement of profit and loss.

#### **8. Accounting for Investment**

- i.) As a conservative and prudent policy, The Company does not provide for increase in the value of individual investment held by it on the date of Balance Sheet.
- ii.) Current Investments are carried at lower of cost or Fair value.

#### **9. Inventories**

- i.) Inventories are valued at lower of cost or net realizable value except for scrap. Scrap is valued at net realizable value. Cost is determined using first in first out (FIFO) method.
- ii.) Stationery, Uniforms, Medical expenses are charged off to the revenue at the time of purchase.

#### **10. Revenue Recognition**

- i.) Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection.

- ii.) Dividend income is recognized when right to receive dividend is established.
- iii.) Interest income is recognized on accrual basis.
- iv.) Tax deducted at source thereon is treated as advance tax.

**11.Event Occurring After Balance Sheet Date**

- i.) Assets and Liabilities are adjusted for events occurring after Balance Sheet date that provide additional evidence to assist the estimation of amounts relating to condition existing at the balance sheet date.
- ii.) Dividends which are provided/declared by the Company after the Balance Sheet date but before approval of financial statements are adjusted.

**12.Employees Retirement Benefits**

- i.) **Provident Fund:** The Company has charged Rs. 23,650/- (Previous year Rs.25,757/-) for provident fund contribution to the profit and loss account. The contributions towards these schemes by the Company are at rates specified in the rules of the schemes.
- ii.) **Superannuation Fund:** Company has no Superannuation fund in place.
- iii.) **Gratuity and Leave Encashment:** Liability in respect of Leave encashment and gratuity is not ascertained by the management till date and no provision has been made as per IND AS-19(AS-15).

**13. Borrowing Cost**

Borrowing cost attributable to qualifying assets are capitalized up to the date the assets are ready to put to use. A qualifying asset is one that necessary taxes substantial period of time to get ready for intended use. All other Borrowing costs are charged to statement of profit and loss .

**14. Operating Lease**

Lease Payments/rentals under operating lease are expensed with reference to the terms of lease and others considerations.

**15. Accounting for Taxes on Income**

- I. Provision for current tax is made on the basis of estimated tax payable on income for the relevant accounting year in accordance with the Income Tax Act 1961.
- II. The Deferred tax liability on account of timing differences between the book profits and the taxable profits for the year is accounted for using the tax rates as applicable as on the balance sheet date.
- III. Deferred tax assets arising from timing difference are recognized to the extent there is virtual certainty that these would be realized in future.

**16. Earnings Per Share**

Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period . Diluted earning per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential average market value of the outstanding shares . Dilutive potential equity shares are converted as of the beginning of the period unless issued the number of shares and potential equity shares are determined independently for each period presented .

The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits/consolidation and bonus share issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

Particulars	Period Ended 31 <sup>st</sup> March 2019	Period Ended 31 <sup>st</sup> March 2018
Profit/(loss) after tax (Rs) A	(4,03,22,991)	(64,785,649)
Extraordinary Item	NIL	NIL
Profit/(loss) after Extraordinary item	(4,03,22,991)	(64,785,649)
Number of Equity shares at the end of the period B	1,00,64,866	1,00,64,866
Nominal Value of Equity Shares	10,06,48,660	10,06,48,660
Weighted Average Number of Equity shares (Basic )-C	1,00,64,866	1,00,64,866
Weighted Average Number of Equity shares (Diluted )-D	1,00,64,866	1,00,64,866
Basic EPS before Extraordinary Item ( A/C)	(4.01)	(6.44)
Diluted EPS before Extraordinary Item (A/D)	(4.01)	(6.44)
Basic EPS after Extraordinary Item ( A/C)	(4.01)	(6.44)
Diluted EPS after Extraordinary item (A/D)	(4.01)	(6.44)

**17. Provisions, Contingent Liabilities and Contingent Assets**

- i. A present obligation which could be reliably estimated is provided for in the accounts if it is probable that an outflow of resource embodying economic benefit will be required for its settlements.
- ii. Contingent liabilities are disclosed by way of notes to the balance sheet.
- iii. Contingent assets are neither recognized nor disclosed.

**18. Contingent liability**

- i. Estimated amount of contracts remaining to be executed on capital account and not provided for –Rs-Nil
- ii. Claims against the company not acknowledgment as debts Rs Nil
- iii. Export obligation in respect of machineries imported under Zero Duty EPCG Scheme is amounting to Rs. 1,88,64,384/- as on 31/03/2019.
- iv. Liability in respect of Leave encashment and gratuity is not ascertained by the management till date and no provision has been made as per IND AS-19(AS-15).
- v. Contingent Liability in respect of-

<u>Particulars</u>	<u>Amount</u>
CENTRAL EXCISE	5,35,677.00/-
VAT	5,46,960.00/-

**2. NOTES TO FINANCIAL STATEMENT**
**19. Related Party Transactions**

<u>Sl. No.</u>	<u>Particulars</u>	<u>C\Y Amount (INR)</u>	<u>P\Y Amount (INR)</u>
I	VivaanVyapaar Private Limited ( Earlier known as Planet Battery Pvt. Limited )		
	Sales of goods	NIL	NIL
	Purchase of goods	NIL	653456/-
	Advance given	NIL	NIL
	Other Expenses- Schemes and Business Promotions	NIL	NIL
II	<u>Sachin Sridhar, Director (Payable)</u>	75,59,672/-	7184672/-
III	<u>Kamaljeet Singh, Director</u>	1,76,800/-	230000/-
IV	Reimbursement of Expenses Yogesh Kumar Gupta, MD <u>Sachin Sridhar, Director</u>	- NIL	- 331748/-
V	Director Remuneration Mr. Yogesh kumar Gupta Mr. Kamaljeet Singh Jaiswal Mr. Rajesh Browne	9,20,000/- 6,96,000/- 8,00,000/-	430000/- 405000/- -
VI	Starlit Infrastructure Ltd	4,40,000/-	440000/-
VII	Starlite Finance Ltd (Unsecured Loan)	2,60,36,145.28/-	2660307/-
VIII	Starlite Finance Ltd (Interest Payable)	NIL	NIL
IX	Santosh Sharma (Relative)	3,35,34,000/-	301,00,000/-
X	Sachin Sridhar HUF (Director)	5,50,000/-	550000/-

**20. Segment Reporting**

The company at presently engaged in the business of manufacture and sale of automotive inverter batteries and Lead, which constitutes a single business segment. In view of above, primary and secondary reporting disclosures for business geographical segment as envisaged in AS-17 are applicable to the company.

**21. Additional information pursuant to Schedule III of Companies Act, 2013 have been given to the extent applicable to the company**

(a) Value of Raw material consumed

Lead& Other Material Rs. 12,10,65,674/-

**Note:** Packing and other material consumed are not considered as Raw materials and hence no separate figures are given.

(b) Value of Imported and indigenous Raw material, packing & other material consumed

- (i) Imported Rs. 1,02,05,213/-  
(ii) Indigenous Rs. 11,08,60,461/-

(C) Information for each class of goods (Major Items)

Manufactured and sold during the year

Particulars	Unit	Installed capacity	Actual Production	Sales (Quantity)	Sales (Value)
Batteries-	PCS	200000	15578	21772 Pcs	8,76,30,958/-
Lead	KGS	8000000	360614	363680 Kgs	3,77,39,091/-

As certified by the management.

(d) Particulars of Opening and Closing Stock of Finished Goods after adjusting Returns

Particulars	Unit	Opening Stock (Qty)	Opening Stock (value)	Closing stock (Quantity)	Closing stock (Value)
Batteries	PCS	430	1622067	554	21,81,421/-
Lead	KGS	43517	4057828	24517	37,62,954/-
<b>TOTAL*</b>		<b>43947</b>	<b>5679895</b>		<b>59,44,375/-</b>

## 22. Auditor remuneration

Sl No.	Nature of payment	2018-19	2017-18
1	Audit Fees	100,000	100,000
2	Tax Audit	25,000	25,000
3	Management Services	-	-
4	Company Law Matters	25,000	25,000
5	Other Services	-	-
6	Taxation Matters	-	-

## 23. Commitments

Capital commitment towards building is not ascertained by the management till date.

## 24. Interest in Joint Venture

The Company had signed a joint venture agreement with Guangdong Dynavolt Power Technology Co Limited during earlier year.

25. In the opinion of the board the Current assets, Loans & advances are realizable at a value which is at least equal to the amount, at which these are stated in the Ordinary course of business

26. Debtors and creditors balances are subject to reconciliation/ Confirmation, however in the opinion of the management, these will not have any significant impact on the profit for the year and on the net worth of the company on balance sheet date.

27. The Company has not received information from vendors regarding their status under the Micro Small and Medium Enterprises, Development Act 2006 and hence disclosure relating to amounts unpaid as at the yearend together with interest paid/payable under the Act has not been given.

## 28. Cash Flow Statement

Cash flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard-3 "Cash Flow Statement"

## 29. Foreign Exchange Earnings and Outgo:-

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
<b>Foreign Exchange Earnings</b>		
FOB Value of Exports	NIL	NIL



Sponsorship Fee	NIL	NIL
Other Receipt	NIL	NIL
<b>Total</b>	<b>NIL</b>	<b>NIL</b>
<b>Foreign Exchange Outgo</b>		
CIF Value Of imports	1,02,05,213/-	1,03,78,935/-
Interest & Finance Charges	NIL	<b>NIL</b>
Foreign travel	NIL	NIL
Professional Charges	NIL	NIL
Subscription and Membership fees	NIL	NIL
Brand promotion Expenses	NIL	NIL
Aircraft Running and Maintenance	NIL	NIL
Personnel training	NIL	NIL
Other Matters (Advance For Machinery)	NIL	NIL
<b>Total</b>	<b>1,02,05,213/-</b>	<b>1,03,78,935/-</b>

**Note- 3:  
Depreciaton**

Asset Description	Gross block				Depreciation				Net block		
	As at 1 April 2018	Additions	Disposals	Adjust ment	As at 31 March 2019	As at 1 April 2018	For the year	Adjus tment	As at 31 March 2019	As at 31 March 2019	As at 31 March 2018
<b>Tangible assets</b>											
Industrial Plot at Sohna	57,21,386.00				57,21,386.00	-	-		-	57,21,386.00	57,21,386.00
Building at Sohna	86,94,152.22				86,94,152.22	21,75,290.00	2,80,429.00		24,55,719.00	62,38,433.22	65,18,862.22
Motor Cycle Laboratory Equipments	42,150.00		-		42,150.00	33,190.00	3,426.10		36,616.10	5,533.90	8,960.00
Office Equipments	11,19,923.00	4,06,627.00	-		15,26,550.00	10,11,133.00	95,788.82		11,06,921.82	4,19,628.18	1,08,790.00
Plant & Machinery Computer and computer Peripherals	6,37,79,609.00	1,47,690.00	-		6,39,27,299.00	1,44,46,267.00	55,57,111.38		2,00,03,378.38	4,39,23,920.62	4,93,33,342.00
Furniture & Fixture Electrical Installation	9,16,413.00	30,000.00	-		9,46,413.00	8,68,322.00	17,481.73		8,85,803.73	60,609.27	48,091.00
Telephone	7,10,616.18	10,500.00	-		7,21,116.18	3,78,879.00	83,041.78		4,61,920.78	2,59,195.40	3,31,737.18
Truck	79,30,406.00	16,000.00	-		79,46,406.00	31,86,344.00	8,51,830.45		40,38,174.45	39,08,231.55	47,44,062.00
Mould	57,036.00	25,884.00	-		82,920.00	41,748.00	15,360.88		57,108.88	25,811.12	15,288.00
Motor Car	9,17,036.00		-		9,17,036.00	7,26,808.00	1,44,375.24		8,71,183.24	45,852.77	1,90,228.00
Tractor	39,270.00		-		39,270.00	30,496.00	6,809.88		37,305.88	1,964.12	8,774.00
Generator	-		-		-	-	-		-	-	-
UPS	-		-		-	-	-		-	-	-
Fire Fighting Equipments	3,91,947.30		-		3,91,947.30	1,34,061.00	26,476.31		1,60,537.31	2,31,409.99	2,57,886.30
Factory Building Unit 2	19,550.00	6,800.00	-		26,350.00	18,197.00	1,952.95		20,149.95	6,200.05	1,353.00
<b>Intangible assets</b>											
Software	15,07,612.50		-		15,07,612.50	3,61,624.00	97,328.03		4,58,952.03	10,48,660.47	11,45,988.50
IBM Server	8,05,00,444.00		-		8,05,00,444.00	80,37,670.00	27,28,757.86		1,07,66,427.86	6,97,34,016.14	7,24,62,774.00
Brand	9,86,879.00		-		9,86,879.00	8,96,844.00	41,471.77		9,38,315.77	48,563.23	90,035.00
Capital WIP	1,09,725.00	21,600.00	-		1,31,325.00	89,311.00	17,997.47		1,07,308.47	24,016.53	20,414.00
Current Year	5,59,19,487.00	-	-		5,59,19,487.00	-	-		-	5,59,19,487.00	5,59,19,487.00
Previous Year	22,93,73,675.00	6,65,101.00	-		23,00,38,776.00	3,24,42,876.00	99,71,059.00		4,24,13,935.00	18,76,24,841.00	19,69,30,799.00
Previous Year	25,01,53,880.00	13,141.00	2,07,93,346.00		22,93,73,675.00	3,18,59,058.00	1,00,01,616.00	94,17,798.00	3,24,42,876.00	19,69,30,799.00	21,82,94,822.00

**Schedule of Depreciation as per Income Tax Act, 1961 for the year ended 31st March, 2019**

S.No.	Particulars	Rate of Dep.	Balance As on 01.04.2018	Addition upto 3rd Oct	Addition after 3rd Oct	Deduction during the year	Total as on 31.3.2019	Depreciation during the year	Additional Depreciation during the year @20%	W.D.V as on 31.3.2019
I	BLOCK- A Industrial Plot at Sohna	Nil	57,21,386.00				57,21,386.00	-		57,21,386.00
II	BLOCK- B Factory Building	0.1	5,58,80,770.00				5,58,80,770.00	55,88,077.00		5,02,92,693.00
III	BLOCK- C Building at Sohna	0.1	38,25,511.00				38,25,511.00	3,82,551.00		34,42,960.00
IV	BLOCK - D Furniture & Fixture	0.1	4,75,685.00	10,500.00			4,86,185.00	48,619.00		4,37,566.00
	Electrical Installation		49,69,197.00	16,000.00			49,85,197.00	4,98,520.00		44,86,677.00
V	BLOCK - E Plant & Machinery	0.15	5,84,43,601.00	1,08,350.00	39,340.00		5,85,91,291.00	87,85,744.00		4,98,05,547.00
	Office Equipments		4,51,682.00	2,07,220.00	1,99,407.00		8,58,309.00	1,13,791.00		7,44,518.00
	Laboratory Equipments		2,975.00				2,975.00	446.00		2,529.00
	Motor Cycle		12,498.00				12,498.00	1,875.00		10,623.00
	Telephone		25,281.00		25,884.00		51,165.00	5,733.00		45,432.00
	Truck		3,19,920.00				3,19,920.00	47,988.00		2,71,932.00
	Mould Motor Car & Tractors		12,588.00				12,588.00	1,888.00		10,700.00
	Generator		6,867.00				6,867.00	1,030.00		5,837.00
	UPS		1,53,646.00				1,53,646.00	23,047.00		1,30,599.00
	Fire Fighting Equipments		9,188.00	6,800.00			15,988.00	2,398.00		13,590.00
VI	BLOCK - F Computer	0.4	7,87,600.00		30,000.00		7,87,600.00	1,18,140.00		6,69,460.00
	Software		13,844.00		21,600.00		43,844.00	11,538.00		32,306.00
	Biogas Plant Capital WIP	0	63,197.00				84,797.00	29,599.00		55,198.00
			1,781.00				1,781.00	712.40		1,068.60
			5,59,19,487.00				5,59,19,487.00	-		5,59,19,487.00
	<b>Total</b>		<b>18,70,96,704.00</b>	<b>3,48,870.00</b>	<b>3,16,231.00</b>	<b>-</b>	<b>18,77,61,805.00</b>	<b>1,56,61,696.00</b>	<b>-</b>	<b>17,21,00,109.00</b>

**Note- 4 Non-Current Investments**

Particulars	As at 31 March 2019	As at 31 March 2018
<b>Unquoted</b>		
Vivaan Vypaar Pvt Ltd ( Formerly Planet Battery Pvt Ltd)	10,00,000.00	10,00,000.00
<b>Total</b>	<b>10,00,000.00</b>	<b>10,00,000.00</b>

**Note- 5 Long Term loans And Advances**

Particulars	As at 31 March 2019	As at 31 March 2018
Capital Advances	30,74,064.00	30,74,064.00
Security deposits	15,37,536.05	15,31,312.00
Other Loans and Advances		-
<b>Total</b>	<b>46,11,600.00</b>	<b>46,05,376.00</b>

**Note- 6 Deferred Tax Assets**

Particulars	As at 31 March 2019	As at 31 March 2018
At the start of the year	3,73,69,406.00	5,75,82,560.00
Change/(debit) to statement of Profit & Loss	(1,08,38,473.00)	2,02,13,154.00
<b>At the end of year</b>	<b>4,82,07,879.00</b>	<b>3,73,69,406.00</b>

**Note-7 Inventories**

Particulars	As at 31 March 2019	As at 31 March 2018
a. Raw Materials and components	2,93,97,075.00	2,26,52,891.19
b. Work-in-progress	34,97,722.00	88,01,523.00
c. Finished goods	59,44,375.00	58,07,495.40
d. Stock-in-trade		
e. Stores and spares	-	-
f. Material at Site	-	-
f. Others (Stationary)		

(Physically verified and Valued by Management)		
<b>Total</b>	<b>3,88,39,172.00</b>	<b>3,72,61,909.59</b>

**Note -8 : Trade Receivable**

Particulars	As at 31 March 2019	As at 31 March 2018
<u>Sundry Debtors (Unsecured considered good, unless otherwise stated)</u>		
(I) Outstanding for more than 6 months - Considered Doubtful	-	12,85,200.00
(II) Other Debts Considered Good	5,15,71,179.51	5,09,21,629.00
<b>Total</b>	<b>5,15,71,180.00</b>	<b>5,22,06,829.00</b>

**Note- 9 : Cash and cash equivalents**

Particulars	As at 31 March 2019	As at 31 March 2018
<b>a. Balances with banks</b>		
Current A/c	9,39,503.42	40,20,733.80
Fixed Deposit Accounts:	4,00,000.00	
i. Against Members Security Deposits		
ii. Public Issue Deposits		
iii. Others		
<b>b. Accrued Interest</b>		
<b>c. Cash on hand</b>	95,024.00	8,62,599.00
<b>d. Others (specify nature)</b>	-	-
<b>Total</b>	<b>14,34,527.00</b>	<b>48,83,332.80</b>

**Note- 10 : Short Term Loans & Advances**

Particulars	As at 31 March 2019	As at 31 March 2018
<b>a. Loans and advances to related parties</b>		
Secured, considered good	Nil	Nil
Unsecured, considered good	58,56,481.59	-
Doubtful		
Less: Provision for doubtful loans and advances		
Intra Company Transaction		
	58,56,481.59	-
<b>b. Others</b>		
Secured, considered good	6,40,000.00	6,40,000.00
<b>Unsecured, considered good</b>		
Share Application Money Refundable		
Advances recoverable in cash or in kind or for value to be received	-	1,07,065.00
Capital Advance	-	-
Security Deposit	-	-
Prepaid Exp	87,591.00	-
Accrued Interest	2,321.00	-
Rent receivable	-	-
Deposit with Government Departments	10,86,039.00	8,94,106.83
<b>Total</b>	<b>76,72,433.00</b>	<b>16,41,171.83</b>

**Note- 11 Share Capital**

Particulars	As at 31 March 2019		As at 31 March 2018	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
<b>a) AUTHORIZED CAPITAL</b>				
Equity Shares of Rs. 10/- each.	1,20,00,000.00	12,00,00,000.00	1,20,00,000.00	12,00,00,000.00
<b>b) ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</b>				
-				
Equity Shares of Rs. 10/- each, each Fully Paid up includes 8,40,000 equity shares issued as bonus shares on 01.08.94 by capitalization of General Reserve)	1,00,64,866.00	10,06,48,660.00	1,00,64,866.00	10,06,48,660.00
	<b>1,00,64,866.00</b>	<b>10,06,48,660.00</b>	<b>1,00,64,866.00</b>	<b>10,06,48,660.00</b>
<b>c) RECONCILIATION OF NUMBER OF SHARES OUTSTANDING</b>				
-				
At the beginning of the period	1,00,64,866.00	10,06,48,660.00	1,00,64,866.00	10,06,48,660.00

add: Issue of Bonus Share

-	-	-	-
<b>1,00,64,866.00</b>	<b>10,06,48,660.00</b>	<b>1,00,64,866.00</b>	<b>10,06,48,660.00</b>

At the end of the period

**d) Rights, preferences and restrictions attached to Shares**

**Equity Shares:**

The Company has only one class of equity shares having a par value of Rs.10 per share. Each Shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the

Company

**e) Details of Shareholders holding more than 5% shares in the Company:**

Name of Shareholder	As at 31 March 2019		As at 31 March 2018	
	No of Shares	% Held	No of Shares	% Held
Starlit Finance Limited	7,45,733.00	0.06	7,45,733.00	0.06
Sachin Shridhar	6,80,042.00	0.06	6,80,042.00	0.06
Starlit Infrastructure Limited	6,31,633.00	0.05	6,31,633.00	0.05
Yms Finance Private Limited(Earlier known as Pyramid Sales Pvt. Ltd.)	14,94,375.00	0.12	14,94,375.00	0.12
Guangdong Dynavolt Power Tcehnology Co Limited	19,36,000.00	0.16	19,36,000.00	0.16
<b>Total</b>	<b>54,87,783.00</b>		<b>54,87,783.00</b>	

**Note:**

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

**Note- 12 Other Equity**

Particulars	As at 31 March 2019	As at 31 March 2018
a) Capital Investment Subsidy	-	-
b) Capital Redemption Reserve	-	-
b) Securities Premium reserve	5,41,31,557.00	5,41,31,557.00
d) Customer protection Fund	-	-
e) Investor Service Fund	-	-
f) Other Reserve (General Reserve)	-	-
Preoperative Expenses	(33,69,982.00)	(67,39,963.00)
Balance W/o	33,69,982.00	33,69,981.00
	-	(33,69,982.00)
<b>a. Surplus</b>		
Opening balance	<b>(17,59,14,560.00)</b>	<b>(11,11,28,911.00)</b>
(+) Net Profit/(Net Loss) For the current year	(4,03,22,991.00)	(6,47,85,649.00)
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-) Interim Dividends	-	-
<b>(-) Transfer to Reserves:</b>		
i).Customer Protection Fund	-	-
ii). Investor Service Fund	-	-
Closing Balance	(21,62,37,551.00)	(17,59,14,560.00)
<b>Total</b>	<b>(16,21,05,994.00)</b>	<b>(12,51,52,985.00)</b>

**Note- 13 Long Term Borrowings**

Particulars	As at 31 March 2019	As at 31 March 2018
<b>Secured:</b>		
<b>Term Loan</b>		
From Banks	21,94,75,776.05	20,11,22,307.00
From others		
<b>Vehicle Loan</b>	-	-
<b>Unsecured:</b>		
Bonds/debentures		NIL
Loans & Advances from Related Parties	4,16,43,672.00	NIL
From Others	3,71,50,305.20	8,81,03,590.00
<b>Total</b>	<b>29,82,69,753.00</b>	<b>28,92,25,897.00</b>

**Additional Information to Note no. 13**
**Secured Loans**

Short particulars of the property or asset(s) charged (including complete address and location of the property).

1. Land of Industrial Unit located at Village ATTA, Distt. Mewat, Sohna, Haryana measuring 8095 Sq. Mtrs. i.e. 2 Acres in the name of the Company.
2. DDA SFS MIF Flats No. 100-B First Floor Block No. DG-11, Vikas Puri, New Delhi measuring 753 Sq. Feet in the name of Sh. Yogesh Kumar Gupta.
3. Plot No. 121, Village Jaitpur, Vaishpur, Greater Noida, U P measuring 200 Sq Mtrs. in the name of Dr. Meenakshi Kumar.
4. GF bearing no. SK-3/621, Residential Colony, Shakti Khand-III, Indirapuram, Ghaziabad owned by Sh. Sanjeev Malik.
5. Property No.- 51 Block No. A-1, Safdarjung Enclave, New Delhi measuring 600 Sq. Feet in the name of Sh. Sachin Shridhar.
6. First Charge on all Fixed/Block Assets both present and future of the Company to secure the said Credit facilities, including Hypothecation of all types of Stocks and Book Debts.
7. Hypothecation of moveable assets forming part of fixed/block assets.
8. Vehicle Loan is secured against hypothecation of vehicles.
9. Industrial Construction on plot of land comprised in Khat No. 339 Ka/393 Ka, Khas No. 2008/1490, Kita 1, in Village Thana, H.B No. 192, pargana Dharampur, Tehsil Nalagarh, Distt. Solan, Himachal Pradesh owned by Sh. Sachin Shridar.
10. Land and building at Premises No. 1, Ramesh Mitra Road, Bhawanipur, Kolkatta, West Bengal- 700025 owned by Prashant Commodities Private Limited.

**Note- 14 Short Term Borrowings**

Particulars	As at 31 March 2019	As at 31 March 2018
Loans Repayable on Demand		
From Banks( Bank OD)	2,01,65,288.26	-
From other Parties	-	1,95,13,631.00
<b>Total</b>	<b>2,01,65,288.00</b>	<b>1,95,13,631.00</b>

**Note- 15 Trade Payables**

Particulars	As at 31 March 2019	As at 31 March 2018
Micro, small and medium enterprises		
Others	4,08,58,759.24	4,58,16,188.38
Shenzhen Advance Techonology Research Institute Co	3,48,62,071.76	
<b>Total</b>	<b>7,57,20,831.00</b>	<b>4,58,16,188.38</b>

**Note- 16 Other Current Liabilities**

Particulars	As at 31 March 2019	As at 31 March 2018
Withholding and other taxes payable	27,75,311.20	45,64,268.00
Expenses Payable	8,71,398.00	1,584.00
Other Payables	20,06,201.00	11,08,688.00
Advance received from customer	20,57,015.80	1,72,893.00
Employee Statutory Deduction	3,168.00	-
Security Deposit	4,00,000.00	-
Audit fee payable	1,50,000.00	-
<b>Total</b>	<b>82,63,094.00</b>	<b>58,47,433.00</b>

**Note- 17 Revenue From Operations**

Particulars	As at 31 March 2019	As at 31 March 2018
Sale of products		
Manufactured goods	12,81,32,608.88	7,22,91,150.00
Traded Goods	-	-
Other operating revenue		
<b>Total</b>	<b>12,81,32,609.00</b>	<b>7,22,91,150.00</b>

**Note- 18 Other Income**

Particulars	As at 31 March 2019	As at 31 March 2018
Interest income	2,321.00	1,25,200.00
Rental Income		-
Other Income	1,23,25,724.50	1,02,32,724.00
<b>Total</b>	<b>1,23,28,046.00</b>	<b>1,03,57,924.00</b>

**Note- 19 Cost of material consumed**

Particulars	As at 31 March 2019	As at 31 March 2018
<b>Raw material consumed</b>		
Inventory at the beginning of the year	2,26,52,891.00	53,63,412.00
Add: Purchases	12,78,09,857.61	7,60,58,409.00
	15,04,62,748.61	8,14,21,821.00
Less: inventory at the end of the year	2,93,97,075.00	2,26,52,891.00
Packing Material	-	14,83,674.00
<b>Total</b>	<b>12,10,65,674.00</b>	<b>6,02,52,604.00</b>

**Note- 20 Change in Inventories**

Particulars	As at 31 March 2019	As at 31 March 2018
Opening stock:		
Work in progress	88,01,523.00	1,44,09,411.00
Finished goods	58,07,496.00	21,61,831.00
Traded goods	-	3,687.00
	1,46,09,019.00	1,65,74,929.00
Less : Closing Stock		88,01,523.00
Work in progress	72,60,676.00	58,07,496.00
Finished goods	21,81,421.00	-
Traded goods	-	-
	51,66,922.00	19,65,910.00
<b>Total</b>	<b>51,66,922.00</b>	<b>19,65,910.00</b>

**Note-21 Employee Benefits Expense**

Particulars	As at 31 March 2019	As at 31 March 2018
(a) Salaries and incentives		
i.Directors	30,26,000.00	8,35,000.00
ii.Employees	93,66,810.58	76,29,475.00
(b) Contributions to -		
EPF	23,650.00	25,757.00
ii. FPF		
iii.ESI		
(c) Gratuity fund contributions	-	-
(d) Social security and other benefit plans for overseas employees		
(e) expense on Employee Stock Option Scheme (ESOP) and Employee Stock Purchase Plan (ESPP), Staff welfare expenses	50,840.00	8,578.00
(e) Others		
<b>Total</b>	<b>1,24,67,301.00</b>	<b>84,98,810.00</b>

**Note- 22 Finance Cost**

Particulars	As at 31 March 2019	As at 31 March 2018
Interest paid	2,29,31,801.35	1,81,16,959.75
Applicable Net Gain/Loss on Foreign Currency transactions and translations	-	-
<b>Total</b>	<b>2,29,31,801.00</b>	<b>1,81,16,959.75</b>

**Note- 23 Other Expenses**

Particulars	As at 31 March 2019	As at 31 March 2018
Power and fuel	28,94,354.00	60,91,344.00
Generator hiring charges	1,06,000.00	-
Freight Charges	2,83,385.00	-
Accounting Charges	82,500.00	-
Postage and Couriers	7,054.00	-
Rebate and Discount	2,52,099.71	-
Travelling and conveyance	4,52,710.00	5,32,974.00
Legal and professional	20,26,297.00	13,90,451.00
Payment to auditors		
- audit fees	1,00,000.00	1,00,000.00
- tax audit fees	25,000.00	25,000.00
- Company Law Matters	25,000.00	25,000.00
Interest on late payment of taxes	5,20,161.25	14,538.00
Wastage Demolish Charges`	42,814.45	-
Rent	69,000.00	2,50,000.00
Website Exp	1,73,000.00	-
Business Promotion Exp	2,64,080.00	-
Claim Settlelement	4,00,000.00	-
Conveyance Exp	4,82,116.00	-
Water Exp	1,83,300.00	-
Freight	2,15,500.00	96,864.00
Repairs and maintenance	-	-
- plant and machinery	-	2,32,495.00
- others	17,24,665.33	2,59,593.00
Communication	98,949.00	96,452.00
Advertisement	2,49,780.00	-
Annual Fees	-	5,79,600.00
Printing and stationery	1,87,711.00	21,322.00
COMMISSION AND BROKERAGE	-	1,05,000.00
Insurance	2,27,748.00	97,637.00
Miscellaneous Exp	1,76,931.53	1,05,087.00
Consumables	26,82,778.00	18,95,167.00
Clearing & Forwarding	-	65,080.00
Security Guard Exps	14,29,977.00	-
Membership fee & Subscription	2,50,664.00	23,000.00
Cutom Duty	-	11,13,831.00
EXPENSES OF IMPORT	-	3,75,773.00
OTHER EXP	4,30,133.44	1,54,227.00
Preoperative Expenditure w/off	33,69,982.00	33,69,981.00
Office Expenses	4,03,546.78	1,92,569.00
Excise Demand	-	11,77,135.00
Loss on sale of Fixed Assets(P&M and Car)	-	99,95,549.00
Bank Charges		
<b>Loss by theft</b>	1,82,125.00	
<b>Total</b>	<b>2,00,19,362.00</b>	<b>2,83,85,669.00</b>

**Note 24 Contingent Liabilities:**

Particular	As at 31 March 2019	As at 31 March 2018
Vat	5,46,960.00	5,46,960.00
Central excise	5,35,677.00	14,32,997.00

**Note 25**

Some of balance of debtors, creditors and loans and advances are subject to confirmation from respective parties. No significant impact is expected on the Profit and loss account on this account. The effect of the same if any which is not likely to be material will be adjusted at the time of confirmation.

## Independent Auditor's Report

To the Members of Starlit Power Systems Limited  
Report on the Audit of Consolidated Financial Statements  
Opinion

We have audited the accompanying consolidated financial statements of **Starlit Power Systems Limited** ('the Company'), its subsidiary **Vivaan Vyapaar Private Limited**. Which comprise the Consolidated balance sheet as at 31 March 2019, the consolidated statement of profit and loss and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory Information.

In our Opinion and to the best of Our Information and according to the explanation given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of their consolidated state of affairs of the company as at March 31, 2019, of Consolidated profit/loss and its consolidated cash flows for the year ended.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our audit report:

#### **Ind-AS 23: Borrowing cost**

The company has borrowing of Rs. 23.95 crore secured against current and fixed assets of the company. Borrowings have been secured by collateral securities, detail of which has been reported in Note no.13 to the standalone balance sheet.

#### **Auditors Response:**

Principal Audit procedure

Obtained details of borrowings from the management and verified from Bank statement.

#### **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Holding 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 consolidated 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.

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, which has been used for the purpose of the preparation of the consolidated financial statement by the Directors of the Holding Company, as aforesaid:

In preparing the Consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and of its associates and jointly controlled entities to continue as going concern ,disclosing , as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

#### **Auditor's Responsibilities for the Audit of Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in



aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013 we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements, or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities within group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements of which we are independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in consolidated financial statements of which we are the Independent regarding, among other matters, the planned scope and timings of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationship and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequence of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matters**

We have not audited the financial statements of subsidiary whose financial statements reflect total assets of Rs. 73.17 lakhs as at 31<sup>st</sup> March, 2019, total revenue of Rs.0 and net cash flow of Rs.(767.00) for the year ended. The financial statements of the subsidiary have been audited by the other auditor whose report has been furnished to us and our opinion is based solely on the report of the other auditor.

#### **Report on Other Legal and Regulatory Requirements**

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

- b) In our opinion, proper books of account as required by law relating to preparation of the consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the Directors of the Company as on March 31, 2019, taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the Directors of the Group companies, incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls; refer to our report in “Annexure A”, which is based on the Auditors’ Report of the Company and its subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Company and its subsidiary companies incorporated in India.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Group has disclosed the impact of pending litigations on the consolidated financial position of the Group in its consolidated financial statements as of March 31, 2019.
  - ii. The Group has made provisions in its consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses on long term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company and its subsidiary company incorporated in India

**For D M A R K S & ASSOCIATES**  
**(Chartered Accountants)**

Firm’s registration number: 006413N

**Dev Dhar Nagpal**

*(Partner)*

Membership number: 085366

Place: New Delhi

Date: 29<sup>th</sup> May 2019

**Annexure - A to the Auditors’ Report**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **Starlit Power System Limited** (“the Company”) and its subsidiary company incorporated in India as at 31 March, 2019 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

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

The respective Board of Directors of the Company and its subsidiary company’s incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company and its subsidiary company incorporated in India 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 respective 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that

4. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
5. 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
6. 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 and its subsidiary company incorporated in India has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company and its subsidiary 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.

**Other Matter**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to its subsidiary company, incorporated in India, is based on the corresponding reports of the auditors of such company incorporated in India.

For **D M A R K S & ASSOCIATES**

*(Chartered Accountants)*

Firm's Registration Number: 006413N

**Dev Dhar Nagpal**

*(Partner)*

Membership Number: 085366

Place: New Delhi

Date: 29<sup>th</sup>May 2019

**Consolidated Balance Sheet as at 31st March 2019**

Particulars	Note No	As at 31.03.2019	As at 31.03.2018
<b>Assets</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant and equipment		1316,45,736.00	1409,18,669.00
(b) Capital work-in-progress	3	559,19,487.00	559,19,487.00
(c) Intangible Assets		2,67,116.00	3,04,984.00
(d) Financial Assets			
i. Investments		-	-
ii. Loans & Advances	4	47,28,300.00	47,22,076.00
iii. Trade Receivables			
iv. Others			
(e) Deferred tax assets (net)	5	482,14,568.00	373,61,486.00
(f) Other non-current assets			
<b>Total non current assets</b>		2407,75,207.00	2392,26,702.00
<b>(2) Current Assets</b>			
(a) Inventories	6	406,06,653.00	374,04,767.82
(b) Financial Assets			
i. Investments			
ii. Trade Receivables	7	562,77,592.00	569,13,242.00
iii. Cash and cash equivalents	8	20,29,128.00	54,78,702.00
iv. Loans & Advances	9	71,15,240.00	10,82,370.00
iv. Others			
(c) Other current assets			
<b>Total Current assets</b>		1060,28,613.00	1008,79,081.82
<b>Total Assets</b>		<b>3468,03,820.00</b>	<b>3401,05,783.82</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity share capital	10	1006,48,660.00	1006,48,660.00
(b) other equity	11	(1666,95,582.00)	(1307,45,391.00)
Total Equity		(660,46,922.00)	(300,96,731.00)
<b>(2) Liabilities</b>			
<b>(I) Non-Current Liabilities</b>			
(a) Financial Liabilities			
i. Borrowings	12	2982,69,753.00	2892,25,899.00
ii. Others			
(b) Provisions			
(c) Deferred Tax Liabilities (Net)			
(d) Other non-current liabilities			
<b>Total Non Current Liabilities</b>		2982,69,753.00	2892,25,899.00
<b>(II) Current Liabilities</b>			
(a) Financial Liabilities			
i. Borrowings	13	201,65,288.00	195,13,631.00
ii. Trade Payables	14	860,54,049.00	555,05,752.00
iii. Others			
(b) Other Current liabilities	15	83,61,651.00	59,57,233.00
(c) Provisions		-	-
<b>Total Current Liabilities</b>		1145,80,988.00	809,76,616.00
<b>Total Liabilities</b>		4128,50,742.00	3702,02,515.00
<b>Total Equity and Liabilities</b>		<b>3468,03,820.00</b>	<b>3401,05,784.00</b>

For, **D M A R K S & Associates**  
 Chartered Accountants  
 Firm's Registration No.006413N  
 D D Nagpal  
 FCA  
 Membership No. 085366  
 Date: 29.05.2019  
 Place: New Delhi

For and on behalf of the Board of Directors of  
**Starlit Power Systems Limited**

**Rajesh Browne**  
 Chairman & MD  
 DIN : 02791880

**Kamaljeet Singh Jaswal**  
 CFO & WTD  
 DIN : 02340493

**Lavan Raheja**  
 Company Secretary  
 Membership No:55438

**Consolidated Statement of Profit & Loss Account For Period ended on 31st March 2019**

Particulars	Note No	For the period ended 31.03.2019	For the period ended 31.03.2018
Revenue from operations	16	1281,32,609	729,33,754
Other Income	17	123,28,046	103,57,924
<b>Total Revenue</b>		<b>1404,60,655</b>	<b>832,91,678</b>
<b>Expenses:</b>			
Cost of material consumed	18	1210,65,674	602,52,604
Purchase of Stock-in-Trade			
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	19	51,66,923	35,90,534
Employee benefit expense	20	124,67,301	84,98,810
Financial costs	21	229,32,568	181,17,609
Depreciation and amortization expense	3	99,75,903	100,11,040
Other expenses	22	200,19,362	283,97,468
<b>Total Expenses</b>		<b>1916,27,731</b>	<b>1288,68,065</b>
<b>Profit before exceptional items and tax</b>		(511,67,076)	(455,76,387)
Exceptional Items		-	49,72,857
<b>Profit before tax</b>		(511,67,076)	(406,03,530)
<b>Total Income Tax expense:</b>		(108,36,533)	202,27,170
(1) Current tax			
(2) Deferred tax	5	(108,36,533)	202,27,170
<b>Profit after tax</b>		<b>(403,30,543)</b>	<b>(608,30,700)</b>
Other Comprehensive Income			-
Less: Share of (Profit) Transferred to Minority Interest		(510)	(92,528)
<b>Profit/(Loss) for the period</b>		<b>(403,30,033)</b>	<b>(607,38,172)</b>
<b>Earning per equity share:</b>			
(1) Basic		(4.01)	(6.03)
(2) Diluted		(4.01)	(6.03)

For, D M A R K S & Associates  
Chartered Accountants  
Firm's Registration No.006413N  
D D Nagpal  
FCA  
Membership No. 085366  
Date: 29.05.2019  
Place: New Delhi

For and on behalf of the Board of Directors of  
Starlit Power Systems Limited

Rajesh Browne  
Chairman & MD  
DIN : 02791880

Kamaljeet Singh Jaswal  
CFO & WTD  
DIN : 02340493

Lavan Raheja  
Company Secretary  
Membership No:55438

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2019**

<b>PARTICULARS</b>	<b>2018-19</b>	<b>2017-18</b>
	Rs.	Rs.
<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>		
NET PROFIT BEFORE TAX & EXTRAORDINARY ITEMS :	(511,67,075)	(455,76,388)
<b>ADJUSTMENTS FOR:-</b>		
Depreciation	99,75,903	100,11,040
Interest Income	(2,321)	(1,25,200)
Preoperative Expenses W/o	33,69,982	33,69,981
Loss on sale of fixed assets	-	99,95,549
Exceptional items		49,72,857
Interest Charges	229,32,568	181,17,609
Operating profits before working capital changes :	(148,90,943)	7,65,448
<b>ADJUSTMENTS FOR:-</b>		
Inventories	(15,77,262)	(122,15,272)
Sundry debtors	6,35,650	(138,54,155)
Trade & other receivables	(60,31,261)	144,96,583
Trade payables & other liabilities	323,20,304	(216,87,948)
short term provision	-	
<b>Cash generated from (used) in operation</b>	<b>104,56,489</b>	<b>(324,95,344)</b>
Direct taxes paid	-	
Exceptional items		4972857
Net Cash flow from operating activities (A)	104,56,489	(374,68,201)
<b>CASH FLOW FROM INVESTMENT ACTIVITIES :</b>		
Purchase of fixed assets	(6,65,101)	(13,141)
Sale of fixed assets		13,80,000
Transfer of fixed assets		
Increase Decrease In Loan & Advances	(6,224)	255230
Interest received	2,321	1,25,200
Net Cash flow used in investment activities (B)	(6,69,004)	17,47,289
<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Loan paid/recovered	90,43,856	1920,36,087
Interest paid	(229,32,568)	(181,17,609)
Increase / decrease in term loans ( net )		
Increase / decrease in cash credits from banks	6,51,657	(1337,46,584)
Net Cash flow used in financing activities (C)	(132,37,056)	401,71,894
Cash Flow from Extraordinary items (D)	-	
Increase in cash flow from extraordinary Items	-	
Net decrease in cash and cash equivalents : ( A+B+C+D )	(34,49,571)	44,50,981
Cash & cash equivalents at opening	54,78,702	10,27,715
Cash & cash equivalents at closing	20,29,131	54,78,702

**For, D M A R K S & Associates**  
Chartered Accountants  
Firm's Registration No.006413N  
D D Nagpal  
FCA  
Membership No. 085366  
Date: 29.05.2019  
Place: New Delhi

For and on behalf of the Board of Directors of  
**Starlit Power Systems Limited**

**Rajesh Browne**  
Chairman & MD  
DIN : 02791880

**Kamaljeet Singh Jaswal**  
CFO & WTD  
DIN : 02340493

**Lavan Raheja**  
Company Secretary  
Membership No:55438

## SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS

### 1. Basis of Preparation of Consolidated Financial Statements

These Consolidated financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (Indian GAAP) under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair value (if any). GAAP comprise mandatory accounting standards as prescribed by the companies (Accounting Standard) Rules, 2014 and the provision of the Companies Act, 2013. Accounting Policies Have been consistently applied except where a newly issued accounting standards as initially adopted or are vision to an existing accounting standard requires a change in the accounting policy hereto in use.

### 2. Principle of Consolidation

The consolidated financial statements relate to Starlit Power System limited (‘the company’) and its Subsidiary. The consolidated financial statements are prepared on the following basis:

- a) The financial statement of the Company and its subsidiary company are combined on a line- by -line basis by adding together the book value of like items assets, liabilities, income and expenses after fully eliminating intra -group transactions in accordance with Accounting Standard (AS) 21- “Consolidated Financial Statement”.
- b) The difference between the cost of investment in subsidiary, over the net assets at the time of acquisition of shares in the subsidiary made during the preceding financial year is recognized as Goodwill or capital reserve, as the case may be.
- c) Minority Interest share of net profit/(loss) of subsidiary for the year is identified and adjusted against the income of the group in order to arrive net income attributable to shareholder of the company .
- d) Minority interest’s share of net assets of consolidated subsidiary is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the company’s shareholders. The losses applicable to the minority in consolidated subsidiary may exceed the minority interest in the equity of the subsidiary. The excess and any further losses applicable to the minority, are adjusted against the majority interest except to the extent that the minority has a binding obligation to, and is able to, make good the losses. If the subsidiary subsequently reports profits, all such profits are allocated to the majority interest until the minority’s share of losses previously absorbed by the majority has been recovered.
- e) As far as possible ,the consolidated financial statements are prepared using uniform accounting policies except the company has provided the depreciation on SLM basis (Rs.99.71 lakhs) while in case of subsidiary company depreciation (Rs.0.05 lakhs) is on WDV basis.

### C. Other significant accounting policies

These are set out under “significant Accounting Polices” as given in the Company’s separate (Standalone) financial statements.

### Note:3 Fixed assets

Asset Description	Gross block					Depreciation				Net block	
	As at 1 April 2018	Additions	Disposals	Adjustment	As at 31 March 2019	As at 1 April 2018	For the year	Adjustment	As at 31 March 2019	As at 31 March 2019	As at 31 March 2018
Tangible assets											
Industrial Plot at Sohna	57,21,386				57,21,386	-	-		-	57,21,386	57,21,386
Building at Sohna	86,94,152				86,94,152	21,75,290	2,80,429		24,55,719	62,38,433	65,18,862
Motor Cycle	42,150		-		42,150	33,190	3,426		36,616	5,534	8,960
Laboratory Equipments	10,033				10,033	6,692	1,420		8,112	1,921	3,341
Office Equipments	11,19,923	4,06,627	-		15,26,550	10,11,133	95,789		11,06,922	4,19,628	1,08,790
Plant & Machinery	638,16,025	1,47,690	-		639,63,715	144,66,264	55,60,508		200,26,772	439,36,943	493,49,761

Computer and computer Peripherals	9,16,413	30,000	-	9,46,413	8,68,322	17,482	8,85,804	60,609	48,091	
Furniture & Fixture	7,10,616	10,500	-	7,21,116	3,78,879	83,042	4,61,921	2,59,195	3,31,738	
Electrical Installation	79,30,406	16,000	-	79,46,406	31,86,344	8,51,830	40,38,174	39,08,232	47,44,062	
Telephone	62,786	25,884	-	88,670	47,279	15,577	62,856	25,814	15,507	
Truck	9,17,036	-	-	9,17,036	7,26,808	1,44,375	8,71,183	45,853	1,90,228	
Mould	39,270	-	-	39,270	30,496	6,810	37,306	1,964	8,774	
Motor Car	-	-	-	-	-	-	-	-	-	
Tractor	-	-	-	-	-	-	-	-	-	
Generator	3,91,947	-	-	3,91,947	1,34,061	26,476	1,60,537	2,31,410	2,57,886	
UPS	19,550	6,800	-	26,350	18,197	1,953	20,150	6,200	1,353	
Fire Fighting Equipments	15,07,613	-	-	15,07,613	3,61,624	97,328	4,58,952	10,48,660	11,45,988	
Factory Building Unit 2	805,00,444	-	-	805,00,444	80,37,670	27,28,758	107,66,428	697,34,016	724,62,774	
water dispenser	35,050	-	-	35,050	33,883	1,230	35,113	(63)	1,167	
<b>Intangible assets</b>										
Software	9,86,879	-	-	9,86,879	8,96,844	41,472	9,38,316	48,563	90,035	
IBM Server	1,09,725	21,600	-	1,31,325	89,311	17,997	1,07,308	24,017	20,414	
Brand Goodwill	-	-	-	-	-	-	-	-	-	
Recognized on Acquistion	1,94,536	-	-	1,94,536	-	-	-	1,94,536	1,94,536	
Capital WIP	559,19,487	-	-	559,19,487	-	-	-	559,19,487	559,19,487	
Current Year	<b>2296,45,427</b>	<b>6,65,101</b>	-	<b>2303,10,528</b>	<b>325,02,287</b>	<b>99,75,902</b>	-	<b>424,78,189</b>	<b>1878,32,339</b>	<b>1971,43,140</b>
Previous Year										

**Note- 4 Long Term loans And Advances**

Particulars	As at 31.03.2019	As at 31.03.2018
Capital Advances	30,74,064.00	30,74,064.00
Security deposits	16,54,236.00	16,48,012.00
Other Loans and Advances	-	-
<b>Total</b>	<b>47,28,300.00</b>	<b>47,22,076.00</b>

**Note- 5 Deferred Tax Assets**

Particulars	As at 31.03.2019	As at 31.03.2018
At the start of the year	373,61,486.00	525,95,521.00
Change/(debit) to statement of Profit & Loss	(108,36,533.00)	202,27,170.00
Deffered tax adjustment last year	-	49,72,857.00
others	-	20,278.00
<b>At the end of year</b>	<b>481,98,019.00</b>	<b>373,61,486.00</b>

**Note-6 Inventories**

Particulars	As at 31.03.2019	As at 31.03.2018
a. Raw Materials and components	293,97,075.00	226,52,891.19
b. Work-in-progress	34,97,723.00	88,01,523.20
c. Finished goods	77,11,855.00	59,50,353.43
d. Stock-in-trade	-	-
e. Stores and spares	-	-
f. Material at Site	-	-
f. Others (Stationary)	-	-
<b>Total</b>	<b>406,06,653.00</b>	<b>374,04,767.82</b>



**Note- 7 Trade Receivable**

Particulars	As at 31.03.2019	As at 31.03.2018
<u>Sundry Debtors (Unsecured considered good, unless otherwise stated)</u>		
(I) Outstanding for more than 6 months		
- Considered Doubtful	47,34,750.00	12,85,200.00
(II) Other Debts		
Considered Good	515,42,842.00	556,28,042.00
<b>Total</b>	<b>562,77,592.00</b>	<b>569,13,242.00</b>

**Note- 8 Cash and cash equivalents**

Particulars	As at 31.03.2019	As at 31.03.2018
<b>a. Balances with banks</b>		
Current A/c	13,49,717.00	40,31,715.00
Fixed Deposit Accounts:		
i. Against Members Security Deposits		
ii. Public Issue Deposits		
iii. Others		
<b>b. Accrued Interest</b>		
<b>c. Cash on hand</b>	6,79,411.00	14,46,987.00
<b>d. Others (specify nature)</b>	-	
<b>Total</b>	<b>20,29,128.00</b>	<b>54,78,702.00</b>

**Note- 9 Short Term Loans & Advances**

Particulars	As at 31.03.2019	As at 31.03.2018
<b>a. Loans and advances to related parties</b>		
Secured, considered good	58,56,481.59	-
Unsecured, considered good		Nil
Doubtful		-
Less: Provision for doubtful loans and advances		
Intra Company Transaction		-
	58,56,481.59	-
<b>b. Others</b>		
Secured, considered good	-	
<b>Unsecured, considered good</b>		
Share Application Money Refundable		
Advances recoverable in cash or in kind or for value to be received	87,592.00	1,07,065.00
Considered good		
Accrued Interest	2,321.00	
Deposit with Government Departments	11,68,845.00	9,75,305.00
<b>Total</b>	<b>71,15,240.00</b>	<b>10,82,370.00</b>

**Note- 10 Share Capital**

Particulars	As at 31 March 2019		As at 31 March 2018	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
<b>a) AUTHORIZED CAPITAL</b>				
Equity Shares of Rs. 10/- each.	120,00,000	1200,00,000	120,00,000	1200,00,000
<b>b) ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</b>				
-				
Equity Shares of Rs. 10/- each, each Fully Paid up includes 8,40,000 equity shares issued as bonus shares on 01.08.94 by capitalization of General Reserve)	100,64,866	1006,48,660	100,64,866	1006,48,660
	<b>100,64,866</b>	<b>1006,48,660</b>	<b>100,64,866</b>	<b>1006,48,660</b>
<b>c) RECONCILIATION OF NUMBER OF SHARES OUTSTANDING</b>				
At the beginning of the period	-		-	-

	100,64,866	1006,48,660	80,51,893	805,18,930
add: Issue of Bonus Share	-	-	20,12,973	201,29,730
At the end of the period	<b>100,64,866</b>	<b>1006,48,660</b>	<b>100,64,866</b>	<b>1006,48,660</b>

**d) Rights, preferences and restrictions attached to Shares**

**Equity Shares:**

The Company has only one class of equity shares having a par value of Rs.10 per share. Each Shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the

Company

**e) Details of Shareholders holding more than 5% shares in the**

**Company:**

Name of Shareholder	As at 31 March 2019		As at 31 March 2018	
	No of Shares	% Held	No of Shares	% Held
Starlit Finance Limited	745733	6.17%	745733	6.17%
Sachin Shridhar	680042	5.63%	680042	5.63%
Starlit Infrastructure Limited	631633	5.23%	631633	5.23%
Yms Finance Private Limited(Earlier known as Pyramid Sales Pvt. Ltd.)	1494375	12.37%	1494375	12.37%
Guangdong Dynavolt Power Tcehnology Co Limited	1936000	16.03%	1936000	16.03%
<b>Total</b>	<b>5487783</b>		<b>5487783</b>	

**Note:**

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

**Note- 11 Other Equity**

Particulars	As at 31st March, 2019	As at 31st March, 2018
a) Capital Investment Subsidy		
b) Capital Redemption Reserve	-	
b) Securities Premium reserve	541,31,557	<b>541,31,557</b>
d) Customer protection Fund	-	-
e) Investor Service Fund	-	-
f) Other Reserve (General Reserve)	-	-
Preoperative Expenses	(33,69,982)	(67,39,963)
Balance W/o	33,69,982	33,69,981
	-	(33,69,982)
<b>a. Surplus</b>		
Opening balance	<b>(1815,06,966.00)</b>	(1206,76,265)
(+) Net Profit/(Net Loss) For the current year	(403,30,033.00)	(607,38,173)
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(-)Adjustment of pre acquisition loss arising due to investment in subsidiary	10,10,369.00	
(-) Share of Loss of Minority Interest	(510.00)	(92,528)
(-) Interim Dividends	-	-
<b>(-) Transfer to Reserves:</b>		
i).Customer Protection Fund	-	-
ii). Investor Service Fund	-	-
Closing Balance	(2208,27,140.00)	(1815,06,966)

<b>Total</b>	<b>(1666,95,582)</b>	<b>(1307,45,391)</b>
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**Note- 12 Long Term Borrowings**

Particulars	As at 31st March, 2019	As at 31st March, 2018
<b>Secured:</b>		
<b>Term Loan</b>		
From Banks	2194,75,776.00	2011,22,307.00
From others		-
<b>Vehicle Loan</b>		-
<b>Unsecured:</b>		
Bonds/debentures		-
Loans & Advances from Related Parties	416,43,672.00	-
From Others	371,50,305.00	881,03,592.00
<b>Total</b>	<b>2982,69,753.00</b>	<b>2892,25,899.00</b>

**Note- 13 Short Term Borrowings**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Loans Repayable on Demand		
From Banks *	201,65,288.00	
From other Parties		195,13,631.00
<b>Total</b>	<b>201,65,288.00</b>	<b>195,13,631.00</b>

**Note- 14 Trade Payables**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Micro, small and medium enterprises		
Others	860,54,049.00	555,05,751.00
<b>Total</b>	<b>860,54,049.00</b>	<b>555,05,752.00</b>

**Note- 15 Other Current Liabilities**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Withholding and other taxes payable	27,75,311.00	45,82,263.00
Expenses Payable	8,71,398.00	93,391.00
Other Payables	21,04,758.00	11,08,687.00
Advance received from customer	20,57,016.00	1,72,892.00
Employee Statutory Deduction	3,168.00	-
Audit Fee payable	1,50,000.00	-
Security Deposit	4,00,000.00	-
<b>Total</b>	<b>83,61,651.00</b>	<b>59,57,233.00</b>

**Note- 16 Revenue From Operations**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Sale of products		
Manufactured goods	1281,32,609.00	722,91,150.00
Traded Goods	-	6,42,604.00
<b>Total</b>	<b>1281,32,609.00</b>	<b>729,33,754.00</b>

**Note- 17 Other Income**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Interest income	2,321.00	1,25,200.00
Short & Excess	-	-
Other Income	123,25,725.00	102,32,724.00
<b>Total</b>	<b>123,28,046.00</b>	<b>103,57,924.00</b>

**Note- 18 Cost of material consumed**

Particulars	As at 31st March, 2019	As at 31st March, 2018
<b>Raw material consumed</b>		
Inventory at the beginning of the year	226,52,891.00	53,63,412.00
Add: Purchases	1278,09,858.00	760,58,409.00
	1504,62,749.00	814,21,821.00
Less: inventory at the end of the year	293,97,075.00	226,52,891.00
Packing Material	-	14,83,674.00
<b>Total</b>	<b>1210,65,674.00</b>	<b>602,52,604.00</b>

**Note- 19 Change in Inventories**

Particulars	As at 31st March, 2019	As at 31st March, 2018
-------------	------------------------	------------------------

Opening stock:		
Work in progress	88,01,523.00	144,09,411.00
Finished goods	75,74,977.00	39,29,312.00
Traded goods	-	3,687.00
	163,76,500.00	183,42,410.00
Less : Closing Stock		
Work in progress	34,97,723.00	88,01,523.00
Finished goods	77,11,855.00	59,50,353.00
Traded goods	-	-
	51,66,922.00	35,90,534.00
<b>Total</b>	<b>51,66,923.00</b>	<b>35,90,534.00</b>

**Note-20 Employee Benefits Expense**

Particulars	As at 31st March, 2019	As at 31st March, 2018
(a) Salaries and incentives		
i.Directors	30,26,000.00	8,35,000.00
ii.Employees	93,66,811.00	76,29,475.31
(b) Contributions to -		
EPF	23,650.00	25,757.00
ii. FPF		
iii.ESI		
(c) Gratuity fund contributions	-	-
(d) Social security and other benefit plans for overseas employees		
(e) expense on Employee Stock Option Scheme (ESOP) and Employee Stock Purchase Plan (ESPP), Staff welfare expenses	50,840.00	8,578.00
(e) Others		
<b>Total</b>	<b>124,67,301.00</b>	<b>84,98,810.31</b>

**Note- 21 Finance Cost**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Interest paid	229,32,568.00	181,17,609.00
Applicable Net Gain/Loss on Foreign Currency transactions and translations		-
<b>Total</b>	<b>229,32,568.00</b>	<b>181,17,609.00</b>

**Note- 22 Other Expenses**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Power and fuel	28,94,354.00	60,91,344.00
Travelling and conveyance	9,34,826.00	5,32,974.00
Legal and professional	20,26,297.00	13,90,451.00
Payment to auditors		
- audit fees	1,00,000.00	1,00,000.00
- tax audit fees	25,000.00	25,000.00
- Company Law Matters	25,000.00	25,000.00
- Management Services		
- Other Services		
- Taxation matters		
Interest on late payment of taxes	5,20,161.00	14,538.00
Rent	69,000.00	2,50,000.00
Freight	4,98,885.00	96,864.00
Repairs and maintenance		
- plant and machinery	17,24,665.00	2,32,495.00
- others		2,59,592.50
Communication	98,949.00	96,451.73
Advertisement	2,49,780.00	
BSE LISTING ANNUAL FEES	-	5,79,600.00
Printing and stationery	1,87,712.00	21,322.00
COMMISSION AND BROKERAGE	-	1,05,000.00
Insurance	2,27,748.00	97,637.00
MISCELL	1,76,932.00	1,16,887.00
Consumables	26,82,778.00	18,95,166.67
Clearing & Forwarding	-	65,080.00
Membership fee & Subscription	2,50,664.00	23,000.00
Rates & Taxes	-	11,13,831.40
EXPENSES OF IMPORT	-	3,75,772.80

OTHER EXP	4,30,132.00	1,54,227.00
Deferred exp		
Preoperative Expenditure w\off	33,69,982.00	33,69,981.00
Office Expenses	4,03,546.00	1,92,569.00
Excise Demand	-	11,77,135.00
Loss on sale of Fixed Assets(P&M and Car)	-	99,95,549.00
ACCOUNTING CHARGES	82,500.00	-
Postage and Courier	7,054.00	-
Rebate and Discount	2,52,100.00	-
Wastage Demolish charges	42,815.00	-
Website Expenses	1,73,000.00	-
Business Promotion exp	2,64,080.00	-
Cases settelement	4,00,000.00	-
Water Expenses	1,83,300.00	-
Generator hiring charges	1,06,000.00	-
Security Guard Expenses	14,29,977.00	-
Loss by theft	1,82,125.00	-
<b>Total</b>	<b>200,19,362.00</b>	<b>283,97,468.10</b>

**Note 23 Contingent Liabilities:**

Particular	As at 31st March, 2019	As at 31st March, 2018
Central Exercise	5,35,677.00	14,32,997.00
VAT	5,46,960.00	5,46,960.00

**Note 24:** Some of balance of debtors, creditors and loans and advances are subject to confirmation from respective parties. No significant impact is expected on the Profit and loss account on this account. The effect of the same if any which is not likely to be material will be adjusted at the time of confirmation.

## Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

### Part A : Subsidiaries

1. Sl.No.	1
2. Name of the subsidiary	Vivaan Vyapaar Private Limited
3. Reporting period	31/03/2019
4. Reporting currency and Exchange rates on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA
5. Share capital	11,00,000/-
6. Reserves and surplus	(48,81,639)
7. Total assets	71,93,824
8. Total Liabilities	73,18,474
9. Investments	-
10. Turnover	-
11. Profit before taxation	(5,611)
12. Provision for taxation	(5,611)
13. Profit after taxation	(6,290)
14. Proposed Dividend	-
15. Extent of shareholding (in percentage)	90.91

### Notes:

- Names of subsidiaries which are yet to commence operations : NA
- Names of subsidiaries which have been liquidated or sold during the year. NIL

### Part B Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures. :  
NIL

For and on Behalf of the Board of Directors

**Shri Yogesh Kumar Gupta**  
Chairman and Managing Director

Delhi, August 13, 2019



4.	Regularise the Appointment of Mr. Nikhil Kanwar as an Independent Non Executive Director		
5.	Re-appointment of Shri. Sanjay Arora (DIN: <u>05337421</u> ) as Independent Director		
6.	Appointment of Shri Yogesh Kumar Gupta as a Director.		
7.	Appointment of Shri Yogesh Kumar Gupta as a Whole-time Director		
8.	Consent of shareholders of the company be and is hereby accorded, pursuant to Section 180(1)(a).		
9.	Consent of shareholders of the company be and is hereby accorded, pursuant to Section 62(3).		
10.	Approve Loans, Investments, Guarantee or Security under Section 185.		
11.	Consent of shareholders of the company be and is hereby accorded, pursuant to Section 186.		

\* Applicable for investors holding shares in electronic form.

Signed this ..... day of .....2019

\_\_\_\_\_  
Signature of shareholder

<b>Affix Revenue Stamp</b>
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\_\_\_\_\_  
Signature of first proxy holder

\_\_\_\_\_  
Signature of Second proxy holder

\_\_\_\_\_  
Signature of third proxy holder

**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) It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box, if you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- (3) Please complete all details including details of member(s) in above box before submission.
- (4) For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 11<sup>th</sup> Annual General Meeting.

