

BALANCE SHEET AS AT 31st MARCH, 2014

Particulars	Note No.	As on 31.03.2014 (in Rs.)	As on 31.03.2013 (in Rs.)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	1,000,000	1,000,000
(b) Reserves and Surplus	2	111,856,605	101,541,057
		112,856,605	102,541,057
(2) Non-Current Liabilities			
(a) Long term Borrowing	3	7,460,865	4,302,443
(b) Deferred tax Liabilities (net)		5,696	118,370
		7,466,559	4,420,813
(3) Current Liabilities			
(a) Short-Term Borrowings	4	7,431,849	6,679,484
(b) Trade Payables	5	13,977,725	20,119,692
(c) Other Current Liabilities	6	3,822,432	11,171,047
(d) Short-Term Provisions	7	12,334,153	35,000,000
		37,566,159	72,970,223
Total Equity & Liabilities		157,889,323	179,932,093
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
Tangible Assets	8	45,298,169	46,857,349
Intangible Assets		-	-
(b) Non current Investment	9	49,390,150	50,290,150
(c) Other Non current Assets	10	1,778,007	834,617
		96,466,325	97,982,116
(2) Current Assets			
(a) Inventories	11	8,845,262	5,649,661
(b) Trade receivables	12	12,654,539	16,532,559
(c) Cash and Bank Balances	13	6,427,700	3,693,329
(d) Short-term loans and advances	14	25,182,271	17,849,274
(e) Other current assets	15	7,313,225	38,225,154
		61,422,997	81,949,977
Total Assets		157,889,323	179,932,093
Significant Accounting Policies	23		
Notes forming part of Financial Statements	1 to 22		
<p>As per our Report of even date attached</p> <p>FOR WDK & ASSOCIATES Chartered Accountants Firm Regn. No. 016389N</p> <p>(CA. Dheeraj Wadhwa) Partner M.No.091143 New Delhi 22nd August 2014</p> <p>For and on behalf of the board of SHARIKA ENTERPRISES PRIVATE LIMITED</p> <p>(DIRECTOR) (DIRECTOR)</p>			

SHARIKA ENTERPRISES PRIVATE LIMITED

CIN-U51311DL1998PTC093690

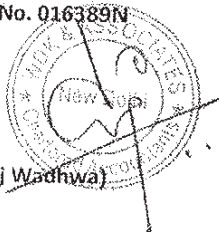
404, Chiranjiv Tower, 43, Nehru place, New Delhi-110019

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

Sr. No	Particulars	Note No.	For the year ended 31.03.2014 (in Rs.)	For the year ended 31.03.2013 (in Rs.)
I	Revenue			
	Revenue from operations	16	85,045,952	69,623,617
	Other Income	17	9,483,506	6,472,744
	Total Revenue		94,529,458	76,096,361
II	<u>Expenses:</u>			
	Operating Expenses	18	35,414,718	26,180,596
	Employee Benefit Expense	19	21,965,524	17,505,960
	Finance Costs	20	1,608,964	1,539,208
	Depreciation & Amortization Cost	21	3,899,244	4,368,798
	Other Expense	22	12,976,762	10,434,593
	Total Expenses		75,865,211	60,029,155
III	Profit before exceptional and extraordinary items and tax	(I- II)	18,664,247	16,067,206
IV	Prior Period Adjustments & Extraordinary Items			
V	Profit before tax (IX - X)	(III-IV)	18,664,247	16,067,206
VI	<u>Tax expense:</u>			
	(1) Current tax		6,206,703	5,000,000
	(2) Earlier Year Tax		2,254,670	
	(3) Deferred tax		(112,674)	(130,535)
			8,348,699	4,869,465
VII	Profit/(Loss) for the period	(V-VI)	10,315,548	11,197,741
VIII	Earning per equity share:			
	(1) Basic/Diluted		103	112
	Significant Accounting Policies	23		
	Notes forming part of Financial Statements	1 to 22		

In terms of our Report attached.

FOR WDK & ASSOCIATES
Chartered Accountants
Firm Regn. No. 016389N



(CA. Dheeraj Wadhwa)
Partner
M.No.091143
New Delhi
22nd August 2014

For and on behalf of the board of
SHARIKA ENTERPRISES PRIVATE LIMITED

(Signature)
(DIRECTOR)

(Signature)
(DIRECTOR)

SHARIKA ENTERPRISES PRIVATE LIMITED

Notes Forming Part of the Balance Sheet and Statement of Profit & Loss

Note: 1 Share Capital

Particulars	As on 31.03.2014 (in Rs.)	As on 31.03.2013 (in Rs.)
AUTHORIZED CAPITAL		
100000 Equity Shares of Rs. 10/- each.	1,000,000	1,000,000
	1,000,000	1,000,000
ISSUED, SUBSCRIBED & PAID UP CAPITAL		
<i>To the Subscribers of the Memorandum</i>		
100000 Equity Shares of Rs. 10/- each, fully paid-up	1,000,000	1,000,000
Total	1,000,000	1,000,000

Shareholders (holding more than 5% Shares)

Shareholders' Name	No. of Shares Held	Percentage
Rajinder Kaul	31,000	31.00%
Ravinder Bhan	24,500	24.50%
Arun Kaul	24,500	24.50%
Mukta Mani Kaul	10,000	10.00%
Hansa Kaul	10,000	10.00%

Note : 2 Reserves & Surplus

General Reserve		
Balance at the beginning of the year	1,000,000	1,000,000
Transferred from Surplus in Statement of Profit & Loss	-	-
Balance at the end of the year	1,000,000	1,000,000
Balance in statement in Profit & Loss		
Balance brought forward from previous year	100,541,057	89,343,316
Add: Profit for the period	10,315,548	11,197,741
	110,856,605	100,541,057
Total	111,856,605	101,541,057

Note : 3 Long Term Borrowings

Car Loan from Bank (secured by hypothecation on Car)	260,863	490,747
Loan from NSIC		3,811,696
Loan from Bank of India	7,200,000	
Total	7,460,863	4,302,443

Note : 4 Short Term Borrowings

Bank OD With Citi Bank	7,360,272	6,679,484
Citi Bank Credit Card	71,578	
Total	7,431,849	6,679,484

SHARIKA ENTERPRISES PRIVATE LIMITED

Notes Forming Part of the Balance Sheet and Statement of Profit & Loss

Note : 5 Trade Payables

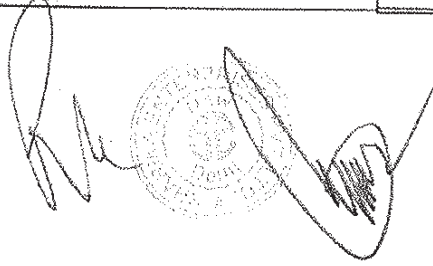
Trade Payable	13,977,725	17,876,500
Advances from Customers	-	2,243,192
Total	13,977,725	20,119,692

Note : 6 Other Current Liabilities

Statutory Liabilities		
Duties and Taxes	-	1,931,818
CST Payable- Delhi	29590	-
DVAT Payable- Delhi	4532	-
Service Tax Payable	25029	-
TDS Payable	2785220	-
ESIC Payable	8289	-
EPF Payable	94959	-
Others Liabilities:		
Expenses payable	641,120	9,189,229
Service Tax Payable (To be paid on receipt basis)	183,693	-
Security Deposit from SLPL	50,000	50,000
Total	3,822,432	11,171,047

Note : 7 Short Term Provisions

Provision for Income Tax	6,206,703	35,000,000
Directors Remuneration Payable	6,127,450	-
Total	12,334,153	35,000,000



SHARIKA ENTERPRISES PRIVATE LIMITED
 Notes Forming Part of the Balance Sheet and Statement of Profit & Loss
 Note 8: Fixed Assets

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		RATE
	AS ON	TRANSFER	AS ON	AS ON	FOR THE	AS ON	AS ON		
	31.03.2013	Addition	31.03.2014	31.03.2013	YEAR	31.03.2014	31.03.2013		
Tangible Assets									
Land	18,351,155	30,000	18,381,155	-	-	-	18,381,155	-	-
Building(Noida)	26,708,535	-	26,708,535	4,989,729	2,171,881	7,161,610	19,546,924	21,718,805	10.00%
Building(Jammu)	-	1,406,525	1,406,525	-	72,055	72,055	1,334,470	-	10.00%
Office Equipments	1,340,687	250,112	1,590,799	624,081	118,044	742,125	848,674	716,506	13.91%
Plant & Machinery	1,874,814	-	1,874,814	682,333	165,874	848,207	1,026,607	1,192,481	13.91%
Computers	4,853,419	179,795	5,033,214	3,192,921	486,932	3,679,853	853,361	1,160,498	40.00%
Furniture and Fixtures	3,556,476	33,289	3,589,765	1,494,391	376,770	1,871,161	1,718,604	2,062,086	18.10%
Vehicles	6,217,677	440,343	6,658,020	4,561,959	507,688	5,069,647	1,588,373	1,655,718	25.89%
Total Rs.	62,402,763	2,340,064	64,742,827	15,545,414	3,899,244	19,444,658	45,298,168.57	46,857,349	
Previous Year	61,294,560	1,108,203	62,402,763	11,176,616	4,368,798	15,545,414	46,857,349	50,117,944	

Note : Depreciation on fixed assets has been provided as per WDV rates given in the Companies Act, 1956

SHARIKA ENTERPRISES PRIVATE LIMITED

Notes Forming Part of the Balance Sheet and Statement of Profit & Loss

Note : 9 Non Current Investments

Particulars	As on 31.03.2014 (in Rs.)	As on 31.03.2013 (in Rs.)
Long Term Investment		
<u>Equity Shares</u> (Electromeccanica India Pvt Ltd)	18,885,710	18,885,710
<u>Equity Shares</u> (Sharika Lightec Pvt .Ltd.)	29,999,990	29,999,990
<u>Capital in High Tension Associates</u> (capital contribution in partership firm)	504,450	1,404,450
Total	49,390,150	50,290,150

Note : 10 Other Non Current Assets

a) Unsecured, Considered Good :		
<u>Security Deposit</u>	1,778,007	834,617
Total	1,778,007	834,617

Note : 11 Inventories

<u>Stock in hand</u>	8,845,262	5,649,661
Total	8,845,262	5,649,661

Note : 12 Trade Receivables

a) Unsecured, Considered Good :		
Outstanding for more than six month	7,850,668	8,742,034
Others	4,803,871	7,790,525
b) Accruals		
Interest accrued on deposits		
Total	12,654,539	16,532,559

Note : 13 Cash & Bank Balances

Cash & Cash Equivalent		
Cash-in-Hand	699,919	84,182
Sub Total (A)	699,919	84,182
Balance with Banks		
In Current Accounts	2,047,511	125,532
In Deposit Accounts		3,483,615
Fixed Deposit Receipt	3,680,270	
Sub Total (B)	5,727,782	3,609,147
Total [A + B]	6,427,700	3,693,329



SHARIKA ENTERPRISES PRIVATE LIMITED

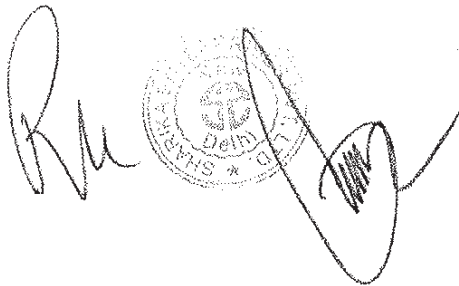
Notes Forming Part of the Balance Sheet and Statement of Profit & Loss

Note :14 Short Terms Loans and Advances

<i>Advance Recoverable in cash or in kind or for value to be considered good</i>		
a) Unsecured, Considered Good :		
Advances with Electromecanica (PL)	13,275,492	12,575,492
Other Loans & Advances	12,906,779	5,273,782
Employee Imprest	(22,673)	-
Total	26,182,271	17,849,274

Note : 15 Other Current Assets

a) Unsecured, Considered Good :		
Balance With Revenue Authorities (FBT)		
Income tax (12-13)	-	3,348,706
Advance Tax (AY: 2014-15)	2,050,000	-
Indirect taxes/Duties recoverables	-	32,849,191
Service Tax Credit Availed	1,828	-
UP VAT- ITC	15,947	-
UP VAT- ITC(subject to assessment)	57,118	-
Excise- UP	583,298	-
Excise- Delhi	679,828	-
Tax Deducted at Source (AY: 2014-15)	2,732,519	-
TDS AY 2011-12	460	-
TDS AY 2012-13	3,497	-
TDS AY 2013-14	1,950	-
Others:		
Prepaid Expenses	81,018	254,660
TDS not in 26AS	115,645	-
Unearned Income	990,117	1,772,588
Total	7,313,225	38,225,154



SHARIKA ENTERPRISES PRIVATE LIMITED

Notes Forming Part of the Balance Sheet and Statement of Profit & Loss

Note : 16 Revenue from Operations

Particulars	For the year ended	
	31.03.2014 (in	31.03.2013
Sales	18,691,469	22,795,266
Other Operating Income	66,354,483	46,828,351
Total	85,045,952	69,623,617

Note : 17 Other Income

Reimbursement of expenses	117,336	593,244
Interest on Fixed Deposits	246,286	229,839
Insurance Claim	4,622	-
Rent Income	270,000	-
Closing Stock	8,845,262	5,649,661
Total	9,483,506	6,472,744

Note : 18 Cost of Operations

Purchases & Consumables	25,283,433	24,646,064
Customs Duty	901,473	-
Clearing & forwarding	61,735	414,290
Freight & Cartage Inward	272,411	-
Job Work	7,976,571	272,598
Consultancy Expenses	919,095	847,644
Total	35,414,718	26,180,596

Note : 19 Employee Benefit Expenses

Salary & Wages	20,950,313	17,391,866
EPF	555,626	-
ESI	76,120	-
Staff Welfare	383,465	114,094
Total	21,965,524	17,505,960

Note : 20 Finance Cost

Bank Charges	126,686	1,539,208
Interest on Borrowings	1,099,826	-
Interest on Service Tax	130,373	-
Interest on TDS	101,031	-
Loan Processing Charges	143,629	-
Others	7,419	-
Total	1,608,964	1,539,208



Notes Forming Part of the Balance Sheet and Statement of Profit & Loss

Note : 21 Depreciation

Depreciation	3,899,244	4,368,798
Total	3,899,244	4,368,798

Note : 22 Other Expenses

Travelling & Conveyance	2,991,312	2,844,703
Office Rent	646,775	323,905
Carriage Outward	91,333	-
Conveyance	259,823	-
Printing & Stationery	337,107	289,461
Legal & Professional Fees	-	33,090
Development Charges	615,000	-
Business Promotion	1,260,223	519,474
Repair & Maintenance	1,550,508	1,122,695
Telephone expense	862,570	934,320
Packing Expenses	11,355	-
Postage & Courier	88,574	107,705
Entry Tax	117,336	-
Vehicle running expenses	1,273,471	1,359,268
Electricity & Water Expenses	1,032,964	885,230
Misc. Expenses	-	14,745
Auditors' Remuneration	337,080	252,810
Insurance Expenses	590,536	523,804
Tender Fees	148,954	-
Office Expenses	335,229	260,038
Bad Debts	-	686,252
Books & Periodicals	1,368	73,301
Registration Charges	81,280	-
Rates & Taxes	6,300	16,422
Exchange Fluctuation Loss	337,664	163,370
Donation	-	24,000
Total	12,976,762	10,434,593



Name & Address of the Assessee

SHARIKA ENTERPRISES PVT. LTD.
404, Chiranjiv Tower
43, Nehru Place
New Delhi-110019

Status

Company / Resident

Assessment Year

2014-15

Previous Year Ended on

31st March, 2014

P.A.N. / Ward

AAECS7986G

STATEMENT OF ASSESSABLE INCOME

I. INCOME FROM BUSINESS

Net Profit As per Profit & Loss A/C	18,664,247	
Add: Depreciation As per Companies Act	3,899,244	
Add: TDS on Salary not paid	-	
Add: Interest on TDS	101,031	22,664,522
	<hr/>	
Less: Depreciation As per Income Tax Rules	3,534,602	
Less: Interest on Bank FDRs	-	
Less: Share of Profit in HTA (Partnership Firm)	-	
Less: Interest on HTA	-	3,534,602
		<hr/>
		19,129,920
		<hr/>
Share of Profit from HTA-Exempted		
		<hr/>
		19,129,920

II. INCOME FROM OTHER SOURCES

Interest on Bank FDRs	-	
Interest on HTA	-	
		<hr/>
		19,129,920
		<hr/>
		19,129,920

Less: Deduction u/s 80G
50% OF Rs.24000

Total Income

 19,129,920

Taxable Income 19,129,920
Rounded Off to 19,129,920

Tax on above 5,738,976
Add: 10% Surcharge 286,949
Add: 3% Edu. Cess 180,778

 6,206,703

Tax payable
Interest u/s 234A
Interest u/s 234B
Interest u/s 234C
Total amount payable

 6,206,703

Prepaid Taxes
Advance Tax 2,050,000.00
TDS 2,779,508.00
TAX PAID u/s. 140A

 4,829,508
Balance Tax Payable 1,377,195

For Sharika Enterprises Pvt. Ltd.

Managing Director

Date: 03.09.2014
Place: New Delhi



14-15

WDK & ASSOCIATES

Chartered Accountants

Independent Auditor's Report

TO THE MEMBERS OF SHARIKA ENTERPRISES PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of SHARIKA ENTERPRISES PRIVATE LIMITED ('the Company') which comprise the balance sheet as at 31 March 2014 and the statement of profit and loss for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with Accounting Principles generally accepted in India including the accounting standards notified under the companies Act, 1956 ("the Act") read with general circular 8/2014 dated April 04, 2014 issued by the Ministry of Corporate Affairs. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- (i) in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2014;
- (ii) in the case of the statement of Profit and Loss, of the Profit for the year ended on that date; and

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956; and
 - e. on the basis of written representations received from the directors as on 31 March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

FOR WDK & ASSOCIATES

Chartered Accountants
FRN- 016389N



(DHEEKAJ WADHWA)

Partner

Membership Number: 091143

Place: NEW DELHI

Date: 22nd August 2014

ANNEXURE

Annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our Independent Auditors Report of even date to the Member of SHARIKA ENTERPRISES PRIVATE LIMITED on the accounts for the year ended 31st March, 2014.

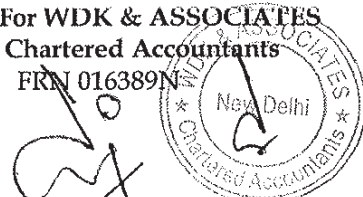
- i)
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) Some of the fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) In our opinion and according to the information and explanation given to us, no fixed assets have been disposed off by the company during the year.
- ii)
 - a) The Management has physically verified the inventory during the year. In our opinion, frequency of the verification is reasonable.
 - b) In our opinion, the procedures of physical verified 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) On the basis of our examination of the record of inventories, we are of the opinion that, the company is maintaining proper records of inventories. The discrepancies notices on physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of accounts.
- iii) According to the information and explanation given to us, the Company has granted interest free unsecured loan to a company covered in the register maintained under section 301 of the Companies Act, 1956. At the end of the year, the outstanding balance of such loan amounted to Rs. 2,13,77,800.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to the purchase of inventory and fixed assets and for the sale of the stock. Further, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have been informed of any instance of major, weakness in aforesaid internal control procedures.
- v)
 - a) According to the information and explanation given to us, we are of the opinion that during the year, the transactions that were required to be entered into the register maintained under section 301 of the Company Act, 1956 have been so entered.
 - b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956, and exceeding the value of rupees five lacs in respect of each party, during the year have been made at prices which are reasonable having regard to prevailing market prices as the relevant time.
- vi) The Company has not accepted any deposits from the public within the meaning of section 58A & 58AA of the Act, and the rules framed there under.

- vii) In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business.
- viii) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Company Act, 1956 for the products of the Company.
- ix) a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, service tax and other material statutory dues as applicable with the appropriate authorities.
- b) According to the information and explanations given to us, there are no undisputed dues payable in respect of Income Tax, Wealth Tax, Sales tax, Custom duty, Excise duty, service tax, cess and other material statutory dues as applicable with the appropriate authority for a period of more than six months from the date they became payable.
- c) According to the information and explanations given to us, there are no disputed dues payable in respect of Income Tax, Wealth Tax, Sales tax, Custom duty and Excise duty, on 31st March 2014.
- x) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the current year and immediately preceding financial year.
- xi) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
- xii) According to the information and explanations given to us and based on the documents and record produced to us the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) As the Company is not a chit fund/ nidhi/mutual benefit fund/societies to which the provision of special statute relating to chit fund are applicable, paragraph 4(xiii) of the order is not applicable.
- xiv) In our opinion and according to the information and explanations given to us, the company is not dealing /trading in securities and other investments. In view of the same clause 4(xiii) of the order is not applicable.
- xv) We have been informed that during the year, the company has not given any guarantee for loans taken by its fellow subsidiaries, associates and other from banks or financial institutions.
- xvi) The Company has obtained term loan (LAP) from Bank of India, New Friends Colony, New Delhi amounting to Rs. 72,00,000. In addition to this, the company has OD limit with Citibank, Nehru Place, New Delhi and the outstanding amount as on 31st March 2014 was Rs. 73,60,272. The vehicle loan from ICICI Bank, Nehru Place, New Delhi continued during the year The outstanding balance being 2,60,863. The vehicle purchased is hypothecated to bank towards the said loan.
- xvii) According to the information and explanations given to us and on an overall examination of the

Balance Sheet of the company, we report that during the year, short term funds have not been used to financial long term investments and vice versa.

- xviii) The company has not made any preferential allotment of shares during the year
- xix) The company has not issued any debentures during the year
- xx) The Company has not raised any money by way of public issue of shares during the year.
- xxi) Based upon the audit procedures performed and information and explanations given by the management, we report that, no fraud on or by the company has been noticed/ reported during the course of our audit.

For WDK & ASSOCIATES
Chartered Accountants
FRN 016389N



(DHEERAJ WADHWA)
Partner M. No.091143

Place : New Delhi
Date : 22nd August 2014

BIS

NOTES FORMING PARTS OF THE FINANCIAL STATEMENTS

23. Significant Accounting Policies

a) Basis of Preparation

The Financial Statements of the Company are prepared on accrual basis under the historical cost convention and are consistent with those followed in the previous year. The Financial statements have been prepared with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956.

b) Use of Estimates

The preparation of financial statements require the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the year. Examples of such estimates include provisions for doubtful debts, employee benefits, provision for income taxes and the useful lives of depreciable fixed assets.

c) Fixed Assets

Fixed Assets are stated at cost, less accumulated depreciation /amortization. Costs include all expenses incurred to bring the assets to its present location and condition.

d) Depreciation/Amortisation

Fixed assets are accounted at cost less accumulated depreciation. Depreciation charged on Written Down basis as per schedule XIV in terms of section 205 and 350 of the companies act, 1956 at the following rates:

S. No.	Particulars	Rate of Depreciation
1.	Factory Land	00.00%
2.	Factory Building	10.00%
3.	Plant & Machinery	13.91%
4.	Furniture & Fixture	18.10%
5.	Office Equipment	13.91%
6.	Computer & Fax	40.00%
7.	Vehicles	25.89%



e) **Non- Current Investments**

The Non current investments are taken at Cost.

f) **Employee Benefits**

i) **Post Employment Benefit Plans**

No Provision for Gratuity payable to staff has been made during the year and shall be recognized as an expense when employees have rendered services entitling them to contributions.

ii) **Other Employee Benefits**

The short term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the period when the employee renders the services. These benefits include leave encashment, arrears on account of salary increment, Festival and dearness allowance etc.

g) **Revenue Recognition**

Sale of Goods

Sales are recorded at Invoice Value, net of VAT/Sales Tax and Excise. Revenue from sales is recognized at the point of dispatch when risk and reward of ownership stand transferred to the customers.

Income From Services

Revenue on account of services/ consultancy and commission is recognized as and when services have been rendered in terms of the agreement.

Interest and Other Income

Interest and other Income is recognized on time proportion basis.

h) **Taxation**

Income Taxes consist of current taxes and changes in deferred tax liabilities and/or assets.

Current Tax is the amount of tax payable on the taxable Income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Income taxes are accounted for on the basis of estimated taxes payable and adjusted for timing differences between the taxable income and accounting income as reported in the financial statements.

Deferred tax assets are recognized only if there is a reasonable certainty that they will be realised and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.



i) Inventories

Inventories are valued at lower of cost or net realisable value.

j) Provisions, Contingent Liabilities & Contingent Assets Etc.

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made.

Contingent Liabilities are not recognized but are disclosed, if any, in the Notes to Accounts.

Contingent Assets are neither recognized nor disclosed in the Financial Statements.

Additional Information to the Financial Statement

24. Contingent Liabilities and Commitments

- a) Contingent liabilities: Nil. (Nil)
- b) Estimated cost of contracts remaining to be executed on capital account and not provided for Nil (previous year Rs. Nil).

25. Disclosure required by Micro, Small and Medium Enterprises (Development) Act, 2006.

In the absence of necessary information in relation to the suppliers registered as Micro or Small enterprises under Micro, Small and Medium Enterprises (Development) Act, 2006, the company has not been able to identify such suppliers and the information required under the said Act could not be complied and disclosed.

26. Related Party Disclosure:

A. Related Party transactions as required by AS-18, "Related Party Disclosures" are as given below:

i) Related Parties in the Group where common control exists:

- a) Elettromeccanica Colombo Di Mainini Gianangelo & C.S.A.S (EC) holding 51% Equity shares of EIPL in which SEPI, holds 49% Equity.
- b) Elettromeccanica India Pvt. Ltd. (EIPL) - Holding 49% Equity Share
- c) Sharika Lightec Pvt. Ltd. (SLPL) - Subsidiary Company
- d) High Tension Associates (HTA) - Partnership firm holding 38% Share



ii) Key Management Personnel of the Company:

- a) Shri Rajinder Kaul Director
- b) Shri Ravinder Bhan Director
- c) Shri Arun Kaul Director
- d) Smt. Mukta Mani Kaul Director
- e) Ms. Hansa Kaul Director

iii) Relative of the Key Management Personnel of the Company:

- a) Mr. MK. Koul -Father of Mr. Arun Kaul (Director)
- b) Ms. Shefali Bali Bhan – Wife of Mr. Ravinder (Director)
- c) Mr. Chuni Lal Kaul- Uncle of Mr. Rajinder Kaul (Director)

B. Summary of the transactions with the above related parties in the ordinary course of business is as follows:

(Figures in Rs.)

Nature of Transaction	Related party where common control exists	Key Management Personnel	Relative of the Key Management Personnel
Fixed Assets Purchases	Nil	Nil	Nil
Material Purchases	125,69,642.00	Nil	Nil
Sales	41,040.00	Nil	Nil
Sales of fixed assets	Nil	Nil	Nil
Rent & Lease charges	Nil	4,20,000.00	54,120.00
Remuneration/Consultancy	Nil	120,00,000.00	7,20,000.00
Interest Paid	Nil	Nil	Nil
Dividend Paid	Nil	Nil	Nil
Rent Received/receivable	270000.00	Nil	Nil
Revenue recd from HTA	Nil	Nil	Nil
Balance outstanding at the year end			
Amount Payable	6,21,458.00	54,17,212.00	54,000.00
Amount Receivable	9,58,540.00	Nil	Nil

27. Corporate Information

Sharika Enterprises Pvt. Ltd. (SEPL), was incorporated on 6th May 1998 to undertake activities of consultancy and marketing services primarily in the power sector for Indian and International Power Equipment Manufacturers.





The accompanying Financial Statements reflect the results of the activities undertaken by the company during the year ended March 31, 2014.

These financial statements have been prepared in the format prescribed by the Revised Schedule VI to the Companies Act 1956.

28. Previous years' figures have been regrouped/reclassified wherever necessary to correspond with the current years' classification/disclosure.

For WDK & ASSOCIATES
Chartered Accountants



(Dheeraj Wadhwa)
Partner

New Delhi,
22nd August, 2014

On behalf of the Board


(Director)

RAJINDER KAUL
D-D1609805




(Director)

RAVINDER BHAN
D-01609915