



SHARIKA ENTERPRISES LIMITED

(FORMERLY KNOWN AS SHARIKA ENTERPRISES PRIVATE LIMITED)

ANNUAL REPORT 2019-20

22ND ANNUAL GENERAL MEETING

(TO BE HELD ON MONDAY, THE 21ST DAY OF DECEMBER, 2020
at 11:00 A.M AT Willow Hall: Habitat World at India Habitat
Centre, Lodhi Road. New Delhi – 110003)

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CORPORATE INFORMATION

NAME OF THE COMPANY:

SHARIKA ENTERPRISES LIMITED

CIN:

L51311DL1998PLC093690

REGISTERED OFFICE :

S-550-551 SCHOOL BLOCK PART-2 WELCOME PLAZA, SHAKARPUR DELHI EAST DELHI DL 110092 INDIA

CORPORATE OFFICE:

B-124, SECTOR-67 GATAM BUFDH NAGAR, NOIDA - 201301 UP

WEBSITE:

www.sharikaindia.com

SHARES LISTED WITH:

BOMBAY STOCK EXCHANGE (SME Platform but migration to main board in process)

MANAGEMENT & KMP OF THE COMPANY

Mr. RAJINDER KAUL	Chairman & Managing Director
Mr. RAVINDER BHAN	Whole-time director
Mr. ARUN KAUL	Whole-time director
	Executive Director
Ms. MUKTA MANI KAUL	Non-Executive Director
Mr. KAMAL BHATEJA	CFO
Ms. VINEETA AGRAWAL	Company secretary (KMP)

INDEPENDENT DIRECTORS

Mr. ASHOK KUMAR KAUL	Independent Director
Mr. RANJEET KUMAR VERMA	Independent Director
Ms. PINKI KUMARI	Independent Director
Mr. SANJAY VERMA	Independent Director

BOARD COMMITTEES**AUDIT COMMITTEE:**

Mr. RANJEET VERMA	Chairman
Mr. ASHOK KUMAR KAUL	Member
Mr. RAJINDER KAUL	Member

NOMINATION & REMUNERATION COMMITTEE:

Mr. RANJEET VERMA	Chairman
Mr. ASHOK KUMAR KAUL	Member
Ms. MUKTA MANI KAUL	Member

STAKEHOLDER RELATIONSHIP COMMITTEE:

Ms. MUKTA MANI KAUL	Chairman
Mr. RANJEET VERMA	Member
Mr. RAVINDER BHAN	Member

AUDITORS**STATUTORY AUDITOR:**

M/s WDK & Associates,
Chartered Accountants
(Firm Registration No. 016389N)

INTERNAL AUDITOR:

Mr. Ravinder Bhan,
A-581, POCKET-A, SARITA
VIHAR NEW DELHI - 110076

SECRETARIAL AUDITOR:

M/s Shweta Pathak and Associates,
Practicing Company Secretaries

REGISTRAR & SHARE TRANSFER AGENT:

Skyline Financial Services Private Limited
D-153 A, 1st Floor, Okhla Industrial Area,
Phase - I, New Delhi - 110 020

NOTICE

Notice is hereby given that the 22nd Annual General Meeting of the Members of **SHARIKA ENTERPRISES LIMITED** will be held on Monday, 21st day of December, 2020 at 11:00 A.M. at Willow Hall: Habitat World at India Habitat Centre, Lodhi Road. New Delhi – 110003 to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements of the company including the Balance Sheet of the Company as at 31st March, 2020 and the Statement of Profit and Loss of the Company for the financial year ended 31st March, 2020 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Rajinder Kaul (DIN 01609805), the Director of the Company, who is liable to retire by rotation and being eligible, offers himself for re-appointment pursuant to the provisions of Section 152 of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf.”

For SHARIKA ENTERPRISES LIMITED

Sd/-

(Rajinder Kaul)
Managing Director
DIN: 01609805
Add C-581 Sarita Vihar New
Delhi 110044

Sd/-

(Ravinder Bhan)
Wholetime Director
DIN: 01609915
Add: A-581, Pocket-A Sarita
Vihar New Delhi 110076

Date: 23/11/2020
Place: Delhi

Notes:

1. In view of the outbreak of the COVID-19 pandemic, Ministry of Home Affairs has from time to time through various circulars and guidelines has clearly indicated the precautions to be taken if there is a social gathering to stop the spread of novel coronavirus. We assure that we have proper arrangements and precautions being taken at the venue of AGM. There is sufficient space so that social distancing of shareholders attending the meeting can be maintained. Further precaution will be taken that none of the attendees will be allowed to the venue without the use of masks and hand sanitizers. In addition to that health checkups will be done of the attendees so as to protect the spread of any kind of disease.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY FORM IS ENCLOSED. THE INSTRUMENT APPOINTING A PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act proxy for any other person or member.

3. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 15th December, 2020 to Monday, 21st December, 2020 (both days inclusive) for the purpose of the AGM.
4. Members / Proxies should fill-in the attendance slip for attending the Meeting and bring their attendance slip along with their copy of the Annual Report to the Meeting.
5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of name will be entitled to vote.
6. All documents referred to in the accompanying Notice are opened for inspection at the Registered Office of the Company on all working days, except Saturday and Sunday between 2 P.M. to 4 P.M. upto the date of the Annual General Meeting.
7. Members are requested :
 - i) To quote their folio Nos. in all correspondence.
 - ii) To note that no gifts will be distributed at the meeting.

8. Members who have not registered their e-mail addresses so far are requested to register their e-mail addresses for receiving all communications including Annual Report, Notices, Circulars, etc from the Company electronically.
9. In terms of Section 72 of the Companies Act, 2013, a Member of the Company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Member(s) desirous of availing this facility may submit nomination in the prescribed Form SH – 13 to the Company/RTA in case shares are held in Physical form, and to their respective depository participant, if held in electronic form.

BRIEF PROFILE OF DIRECTOR BEING APPOINTED or RE-APPOINTED

PARTICULARS	MR. RAJINDER KAUL
Date of Appointment	06.05.1998
Qualifications	BACHELOR OF TECHNOLOGY (B.TECH)
Directorship held in other public companies	0
Membership/Chairmanship of Committees of other Public Companies	0
Disclosure of relationship between Directors inter-se	None

For SHARIKA ENTERPRISES LIMITED
Sd/-
Sd/-
**Date: 23/11/2020
Place: Delhi**
**(Rajinder Kaul)
Managing Director
DIN: 01609805
Add C-581 Sarita Vihar New
Delhi 110044**
**(Ravinder Bhan)
Wholetime Director
DIN: 01609915
Add: A-581, Pocket-A Sarita
Vihar New Delhi 110076**

Proxy form

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

SHARIKA ENTERPRISES LIMITED

CIN: L51311DL1998PLC093690

REG OFFICE: S-550-551 School Block Part-2 Welcome Plaza, Shakarpur Delhi East Delhi DL 110092 IN

Name of the Member(s)	:
Registered address	:
E-mail Id	:
Folio No/ Clint Id	:

I/ We being the member of shares, hereby appoint

1. Name:
 Address:
 E-mail Id:
 Signature:or failing him

2. Name:
 Address:
 E-mail Id:
 Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at 22nd Annual General Meeting of members of the Company to be held on Monday, the 21st day of December, 2020 at 11:00 a.m. at the registered office of the Company situated at Willow Hall: Habitat World at India Habitat Centre, Lodhi Road. New Delhi – 110003 India and at any adjournment thereof in respect of such resolutions as are indicated below:

S. NO.	RESOLUTION	FOR	AGAINST
1.	To receive, consider and adopt the Audited Financial Statements of the company including the Balance Sheet of the Company as at 31st March, 2020 and the Statement of Profit and Loss of the Company for the financial year ended 31st March, 2020 and the Reports of the Board of Directors and Auditors thereon.		
2.	To appoint a Director in place of Mr. Rajinder Kaul (DIN 01609805), the Director of the Company, who is liable to retire by rotation and being eligible, offers himself for re-appointment pursuant to the provisions of Section 152 of the Companies Act, 2013.		

Signed this day of.....2020

Signature of Shareholder

Signature of Proxy holder(s)

Affix
Revenue
Stamp

Note: 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.

SHARIKA ENTERPRISES LIMITED

CIN: L51311DL1998PLC093690

REG OFFICE: 208, CHIRANJIV TOWER, 43 NEHRU PLACE, NEW DELHI - 110019

ATTENDANCE SLIP**22nd Annual General Meeting to be held on Monday, the 21st day of December, 2020 at
11:00 A.M.**

Name of attending member

Regd. Folio No./DP ID/Client ID.....

No. of shares held.....

I certify that I am a registered shareholder/proxy for the registered Shareholder of the Company and hereby record my presence at the 22nd Annual General Meeting of the Company to be held on **Monday, the 21st day of December, 2020 at 11:00 A.M. at Willow Hall: Habitat World at India Habitat Centre, Lodhi Road. New Delhi – 110003**

Member's/Proxy's name in Block Letters

Member's/Proxy's Signature

Note: Please fill this attendance slip and then hand it over at the entrance of the hall.

DIRECTORS' REPORT

To the Members of Sharika Enterprises Limited

The Directors have pleasure in presenting the 22nd Annual Report of your Company together with its audited financial statement for the financial year ended March 31, 2019.

FINANCIAL RESULT:

STANDALONE (in Rs.)

Particulars	2019-20	2018-19
Total Income	285,947,496	244,678,690
Total Expenditure	277,012,730	232,846,169
Profit/ (Loss) before Tax	8,934,766	11,832,520
Profit/ (Loss) after Tax	5,893,255	8,927,137

CONSOLIDATED (in Rs.)

Particulars	2019-20	2018-19
Total Income	286,095,256	245,199,851
Total Expenditure	281,638,060	237,488,463
Profit/ (Loss) before Tax	4,457,196	7,711,388
Profit/ (Loss) after Tax	1,415,685	4,806,004

FINANCIAL HIGHLIGHTS– STANDALONE:

Income:

The Total Income for the year ended March 31, 2020 is Rs. 285,947,496 more than Total Income of the previous year.

Depreciation and Finance Costs:

Depreciation for the year is higher at Rs. 4,539,419 which is lower compared to previous year. Total Finance costs for the year ended March 31, 2020 was Rs. 19,804,806 which is lower as compared to previous year.

Profit before Tax and Exceptional Items:

Profit before Tax stood at Rs. 8,934,766 as compared to previous year Rs. 11,832,520.

Borrowings:

The total borrowings stood at Rs. 136,983,995 as on March 31, 2020 as against Rs. 92,611,372 as on March 31, 2019 for the standalone entity.

Profit / (Loss) after tax:

The Profit after Tax for the year is at Rs. 5,893,255 as compared to a profit of Rs. 8,927,137 for the previous year.

FINANCIAL HIGHLIGHTS – CONSOLIDATED

The consolidated income of your Company for the year ended March 31, 2019 aggregated Rs. 286,095,256 as against for the previous year Rs. 285,947,496. The consolidated turnover increased by 0.05 %.

The consolidated profit after Tax aggregated to Rs. 1,415,685 for the year has declined when compared to the profit after Tax of Rs. 5,893,255 for the previous year. The consolidated financial results of the current year were impacted due to various operational factors.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Consolidated Financial Statements of your Company and its Subsidiary and Joint Venture prepared in accordance with the relevant Accounting Standards of the Institute of Chartered Accountants of India, duly audited by the Statutory Auditors, form a part of the Annual Report and are reflected in the Consolidated Accounts.

Your Company has one Subsidiary and one Joint Venture as at March 31, 2020. Pursuant to the provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of your Company's Subsidiary and Joint Ventures in Form AOC-1 is attached to the Financial Statements of your Company.

PERFORMANCE OVERVIEW AND STATE OF COMPANY'S AFFAIRS:

During the year under review, your Company has earned net profit of Rs. 5,893,255. Your directors are hopeful for the bright future of the company in years to come. The company will continue its efforts to reduce costs and improve efficiencies, enhance value-addition to its customer base and maximize capacity utilization. With these efforts the company hopes to generate revenues and profitability.

NATURE OF BUSINESS:

Incorporated in 1998, Our Company engaged in Engineering Procurement Construction (EPC) contracts, specialized assembling, trading activities, Erection Services, representation services to majorly power Generation, Transmission and Distribution sector. We have grown consistently over the years and widened our portfolio which covers installing power transmission EHV cables, designing & installing EMS (Energy Management System) and allied distribution automation Equipments such as Autoreclosers, fault passage indicators (FPI) etc., designing and installing of Solar Power Generation plants.

Our Company is headquartered in the National Capital Region in India and with having assembling unit in Jammu and Noida. Also our Company is an ISO 9001:2015 certified for providing Consultancy, Project Management, EPC Contracts in field of Power Generation, Transmission and Distribution. We operate in the infrastructure sphere in India focusing on the power sector and work with international and Indian power equipment manufacturers and involved in project management/EPC contractors.

Our Company is also engaged in trading of LED lights, EHV cables & accessories, power capacitors, switchgears & Cast Resin Transformers.

Our Services are:-

1. Engineering Procurement Constructions (EPC)
2. Representative Services
3. Other consultancy Services

CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the year, there is no change in the nature of business activity of the company.

DEMATERIALIZATION OF EQUITY SHARES:

All the Equity Shares of the Company are in dematerialized form with either of the depositories viz. NSDL and CDSL.

ANNUAL RETURN:

The details forming part of the Annual Return shall also be available on Website of the Company which is www.sharikaindia.com

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Act.

APPROPRIATIONS:**Dividend:**

No dividend was declared during financial year under review.

Reserves:

The Board of director has not transferred any amount to Reserves.

LISTING:

The Equity Shares of the Company are listed on SME Platform of BSE Limited w.e.f. 27th November, 2017. The Company is regular in payment of Annual Listing Fees. The Company has paid Listing fees up to the year 2019-20.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY BETWEEN THE END OF FINANCIAL YEAR AND DATE OF REPORT:

No material changes took place in the company in the relevant period.

PUBLIC DEPOSITS:

Company does not accept and / or renew Fixed Deposits from the general public and shareholders.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The company has given loan during the financial year 2019-20, the details of which are specified in Note No. 17 of financial statement as on 31st March 2020.

The company has neither made any investment nor given any guarantee during the financial year 2019-20.

CHANGE IN CAPITAL STRUCTURE AND LISTING OF SHARES

There was no change in the capital structure for the relevant year 2019-20.

BOARD POLICIES

The details of all the policies approved and adopted by the Board are available on the website of the Company www.sharikaindia.com . You can also access them directly via this link <http://www.sharikaindia.com/policy.php>

Policy on directors' appointment and remuneration

The current policy is to have an appropriate mix of executive, non-executive and independent directors to maintain the independence of the Board, and separate its functions of governance and management. As of March 31, 2018, Our Board of Directors consists of 8 (eight) Directors out of which 3 (three) are Executive Directors, 1(one) are Non-Executive Director and 4 (four) are Independent Directors.

The policy of the Company on directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, is available on our website, at www.sharikaindia.com. You can access it directly via this link too <http://www.sharikaindia.com/policy.php>

We affirm that the remuneration paid to the directors is as per the terms laid out in the Nomination and Remuneration Policy of the Company.

AUDITOR AND AUDITOR'S REPORT:

Statutory Auditor:

M/s WDK & Associates, Chartered Accountants, was appointed as Statutory Auditors of the Company at 21st Annual General Meeting of the Company to hold office for five consecutive

years The Auditors are appointed for a period of 5 years from the conclusion of 21st AGM till the conclusion of 26th AGM.

Statutory Auditor's Report: The Auditors' Report does not contain any qualification, reservation or adverse remark and report are self-explanatory and do not call for any further comments.

Secretarial Auditor:

M/s Shweta Pathak and Associates, Company Secretaries, was appointed as Secretarial Auditor of the Company by the Board of Directors for the Financial Year 2019-20.

The Auditors' Report does not contain any qualification, reservation or adverse remark and report are self-explanatory and do not call for any further comments.

Secretarial Auditor's Report: The Auditors' Report does not contain any qualification, reservation or adverse remark and report are self-explanatory and do not call for any further comments.

The report of Secretarial Audit in Form MR -3 is annexed to & forms part of this Report.

Internal Auditor:

Mr. Ravinder Bhan was appointed as Internal Auditor of the Company for the financial year 2019-20 who is acting independently. He reports directly to the Board.

Internal Auditor's Report: The Auditors' Report does not contain any qualification, reservation or adverse remark and report are self-explanatory and do not call for any further comments.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The provisions of Companies Act, 2013 w.r.t. CSR are not applicable on the Company.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(3) (c) of the Companies Act, 2013, the Board of Directors hereby state and confirm that:

- a) in the preparation of the annual accounts for the financial year ended 31st March, 2020 the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at 31st March, 2020 and of the profit and loss of the company from 1st April, 2019 to 31st March, 2020.
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual accounts on a going concern basis; and
- e) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

RELATED PARTY TRANSACTIONS:

Transactions with related parties in the ordinary course of the Company's business and none of these fall under the purview of the provisions of section 188 of the Companies Act, 2013. The details of RPT are more fully explained in Note No. 30 of Financial Statements.

The policy on Related Party Transactions is available on our Website www.sharikaindia.com . You can access it directly via this link too <http://www.sharikaindia.com/policy.php>

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

A. Conservation of Energy-

- i. the steps taken or impact on conservation of energy; Nil*
- ii. the steps taken by the company for utilizing alternate sources of energy; Nil*

iii. *the capital investment on energy conservation equipments; Nil*

B. Technology Adsorption-

i. *the efforts made towards technology absorption- Nil*

ii. *the benefits derived like product improvement, cost reduction, product development or import substitution- Nil*

iii. *in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- Nil*

iv. *the expenditure incurred on Research and Development- Nil*

C. Foreign Exchange Earnings and Outgo: **Nil**

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013 READ WITH RULES:

The Company has not received any complaint of sexual harassment during the year under review.

SIGNIFICANT AND MATERIAL ORDERS OF REGULATORS OR COURTS OR TRIBUNALS:

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

COROPRATE GOVERNANCE

As per Regulation 15 under Chapter IV of SEBI (LODR) Regulations, 2015, the listed entity which has listed its securities on the SME exchange are exempt from complying with the Corporate Governance provisions as specified in Regulation 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and sub-regulation 2 of Regulation 46.

Your Company has been listed on SME Platform of Bombay Stock Exchange and thus provisions of Corporate Governance are not applicable on your Company. Though, your Company tries to follow all the corporate governance practices as much as it can. Thus, separate Corporate

Governance Report is not provided this year however Company is providing Management Discussion & Analysis report which forms a part of this Annual report.

Board diversity

The Company recognizes and embraces the importance of a diverse board in its success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender that will help us retain our competitive advantage.

Our Board has been constituted in compliance with the Companies Act and the SEBI Listing Regulations and in accordance with the best practices in Corporate Governance.

Declaration by independent directors

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he / she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the Listing Regulations.

Board evaluation

The Companies Act, 2013 provides that a formal annual evaluation needs to be made by the Board of its own performance and that of its Committees and individual directors. Schedule IV of the Companies Act, 2013, states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The board of directors in consultation with Nomination & Remuneration Committee has carried out an annual evaluation of its own performance, Board Committees and individual directors pursuant to the provisions of the Companies Act, 2013.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the Committee members on the basis of the criteria such as the composition of committees, effectiveness of Committee meetings, etc.

The Board and the Nomination and Remuneration Committee (“NRC”) reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

The evaluation of Independent Directors was carried out by the entire Board and that of the Chairman and Non – Independent Directors were carried out by the Independent Directors.

In a separate meeting of Independent Directors, performance of non-Independent Directors, performance of the board as a whole and performance of the Chairman was evaluated, taking

into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

Familiarization program for independent directors

All new independent directors inducted into the Board attend an orientation program. Further, at the time of the appointment of an independent director, the Company issues a formal letter of appointment outlining his / her role, function, duties and responsibilities. The terms and conditions of appointment of Independent Director and Familiarization Program for independent directors are available on our website, at www.sharikaindia.com. You can access them directly via this link too <http://www.sharikaindia.com/policy.php>.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Appointments

Mr. Kamal Bhateja was appointed as the CFO of the company on 01/06/2019.

MEETINGS OF THE BOARD AND COMMITTEES:

Meeting of the Board

During the year 2019-20, seven board meetings were held on respective date, 30.05.2019, 14.08.2019, 05.09.2019, 14.11.2019, 15.12.2019, 28.01.2020, and 01.03.2020. The attendance of directors at the board meetings is as given below:

Name of Directors	Designation	Attendance Particulars	
		Number of Board Meetings	
		Held	Attended
Mr. Rajinder Kaul	Managing Director	7	7
Mr. Ravinder Bhan	Whole-time Director	7	7
Mr. Arun Kaul	Whole-time Director	7	7
Ms. Mukta Mani Kaul	Non-Executive Director	7	7
Mr. Ashok Kumar Kaul	Independent Director	7	7

Mr. RANJEET VERMA KUMAR	Independent Director	7	7
Ms. PINKI KUMARI	Independent Director	7	7
Mr. SANJAY VERMA	Independent Director	7	7

Meetings of Audit Committee:

During the year 2019-20, One Audit Committee meeting was held on 13th October, 2019. The attendance of directors at the Audit Committee meeting is as given below:

Name of Directors	Designation	Attendance Particulars Number of Committee Meetings	
		Held	Attended
Mr. RAJINDER KAUL	Member	1	1
Mr. ASHOK KUMAR KAUL	Member	1	1
MR. RANJEET VERMA	Chairman	1	1

Meetings of Nomination & Remuneration Committee:

During the year 2019-20, One Nomination & Remuneration Committee meeting was held on 13th October, 2019. The attendance of directors at the Nomination & Remuneration Committee meeting is as given below:

Name of Directors	Designation	Attendance Particulars Number of Committee Meetings	
		Held	Attended
Mrs. MUKTA MANI KAUL	Member	1	1
Mr. ASHOK KUMAR KAUL	Chairman	1	1
MR. RANJEET VERMA	Chairman	1	1

Meetings of Stakeholder Relationship Committee:

During the year 2019-20, no Stakeholder Relationship Committee meeting was held.

INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of fraud, error reporting mechanisms, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures.

There is adequacy of control w.r.t. Financial statements of the Company

WHISTLE BLOWER POLICY AND VIGIL MECHANISM

Your Company has established a “Whistle Blower Policy” and Vigil Mechanism for directors and employees to report to the appropriate authorities concerns about the unethical behavior actual or suspected, fraud or violation of the Company’s code of conduct policy and provides safeguards against victimization of employees who avail the mechanism and also provide for direct access to the Chairman of the Audit Committee. The said policy has been uploaded on the website of the company www.sharikaindia.com . You can see it directly via this link <http://www.sharikaindia.com/img/pdf/vigil-mechanism.pdf>

CODE OF CONDUCT

Company keenly follows the code of conduct and ethics. The code of conduct of our Company is given on our Website www.sharikaindia.com . You can directly access the code of conduct via this link too <http://www.sharikaindia.com/policy.php>

RISK MANAGEMENT

The Company has adequate internal control systems and procedures to combat the risk. The Risk management procedures are reviewed by the Audit Committee and Board of Directors on time to time basis.

ACKNOWLEDGEMENT:

Your Directors are pleased to record their gratitude for the understanding and support received from the share holders, financial institutions, bankers, customers and suppliers of the Company.

For SHARIKA ENTERPRISES LIMITED

Sd/-

Sd/-

Date:23/11/2020
Place: Delhi

(Rajinder Kaul)
Managing Director
DIN: 01609805
Add C-581 Sarita Vihar New
Delhi 110044

(Ravinder Bhan)
Wholetime Director
DIN: 01609915
Add: A-581, Pocket-A Sarita
Vihar New Delhi 110076

MANAGEMENT'S DISCUSSION & ANALYSIS

ABOUT OUR INDUSTRY

Power Sector India

Power is one of the most critical components of infrastructure crucial for the economic growth and welfare of nations. India's power sector is one of the most diversified in the world.

Electricity demand in the country has increased rapidly and is expected to rise further in the years to come. In order to meet the increasing demand for electricity in the country, massive addition to the installed generating capacity is required.

India ranks third among 40 countries in EY's Renewable Energy Country Attractiveness Index, on back of strong focus by the government on promoting renewable energy and implementation of projects in a time bound manner.

PERFORMANCE OF CONVENTIONAL GENERATION

The electricity generation target of conventional sources for the year 2020-21 has been fixed as 1330 Billion Unit (BU). i.e. growth of around 6.46% over actual conventional generation of 1249.337 BU for the previous year (2019-20). The conventional generation during 2018-19 was 1249.337 BU as compared to 1206.306 BU generated during 2017-18, representing a growth of about 3.57%.

SUMMARY OF OUR BUSINESS

Overview

Incorporated in 1998, Our Company engaged in Engineering Procurement Construction (EPC) contracts, specialized assembling, trading activities, Erection Services, representation services to majorly power Generation, Transmission and Distribution sector. We have grown consistently over the years and widened our portfolio which covers installing power transmission EHV cables, designing & installing EMS (Energy Management System) and allied distribution automation Equipments such as Autoreclosers, fault passage indicators (FPI) etc., designing and installing of Solar Power Generation plants.

Our Company is headquartered in the National Capital Region in India and with having assembling unit in Jammu and Noida. Also, our Company is an ISO 9001:2015 certified for providing Consultancy, Project Management, EPC Contracts in field of Power Generation, Transmission and Distribution. We operate in the infrastructure sphere in India focusing on the

power sector and work with international and Indian power equipment manufacturers and involved in project management/EPC contractors.

Sharika consists of team which provides professional services that are customized to make our principals' businesses a success in India. We work as a team with our principals and our clients to create positive and everlasting business relationships. Our Promoters is having experience of two decades and their hard work and continuous innovation of products, today we have become one of the renowned high-tech enterprise specialized in engineering, designing, procurement, installation, commissioning and maintenance of Solar Power Generation plants, Sub-stations, Transformers, Cable System etc.

As part of our in-house integration model, we have developed in-house resources with key competencies to deliver a project from conceptualization and design to execution and implementation. Our Company is also engaged in trading of LED lights, EHV cables & accessories, power capacitors, switchgears & Cast Resin Transformers.

Our Services

1. Engineering Procurement Constructions (EPC)
2. Representative Services
3. Other consultancy Services

Our Competitive Strengths

- Quality Assurance and Standards
- Experienced Management Team
- Diversified Client Base
- Scalable Business Model

Our Business Strategy

- Build-up a professional organization
- Optimal Utilization of Resources
- Leveraging our Market skills and Relationships
- Entering into new geographical locations
- Focus on higher margin Services

The number of permanent employees on the rolls of company:

There are approximately 67 permanent employees in the Company.

If remuneration is as per the remuneration policy of the company:

We affirm that the remuneration is given to all as per remuneration policy of the Company.

Ratio of remuneration of highest paid director to other employees who get remuneration more than highest paid director.

There is no employee who gets higher remuneration than the Directors of the Company

No employee of the Company was in receipt of remuneration exceeding the limits prescribed under rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

For SHARIKA ENTERPRISES LIMITED

Sd/-

Sd/-

**Date: 23/11/2020
Place: Delhi**

**(Rajinder Kaul)
Managing Director
DIN: 01609805
Add C-581 Sarita Vihar New
Delhi 110044**

**(Ravinder Bhan)
Wholetime Director
DIN: 01609915
Add: A-581, Pocket-A Sarita
Vihar New Delhi 110076**

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/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs)

S. No.	Particulars	Details
1.	Name of Subsidiary	Sharika Lightec Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Not applicable
4.	Share capital	3,00,00,000.00
5.	Reserves & surplus	(21,686,495)
6.	Total assets	35,804,712
7.	Total Liabilities	35,804,712
8.	Investments	NIL
9.	Turnover	NIL
12.	Profit before taxation	(2,533,384)
13.	Provision for taxation	NIL
14.	Profit after taxation	(2,533,384)
15.	Proposed Dividend	NIL
16.	Percentage of shareholding	100%



S. No.	Particulars	Details
1.	Name of Subsidiary	
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Not applicable
4.	Share capital	14,656,840
5.	Reserves & surplus	(18,771,529)
6.	Total assets	66,772,543
7.	Total Liabilities	66,772,543
8.	Investments	NIL
9.	Turnover	275,000
12.	Profit before taxation	(1,944,186)
13.	Provision for taxation	NIL
14.	Profit after taxation	(1,944,186)
15.	Proposed Dividend	NIL
16.	Percentage of shareholding	99.99%

Part B Associates and Joint Ventures
**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to
Associate Companies and Joint Ventures**

Name of Associates or Joint Ventures	Elettromeccanica India Private Limited
1. Latest audited Balance Sheet Date	31/03/2020
2. Date on which the Associate or Joint Venture was associated or acquired	27/11/2008
3. Shares of Associate or Joint Ventures held by the company on the year end	718185 equity Shares of Rs. 10 each
Amount of Investment in Associates or Joint Venture	Rs. 31,460,825.00
Extent of Holding (in percentage)	49.00%
4. Description of how there is significant influence	Due to percentage of share holding (more than 20%)
5. Reason why the associate/joint venture is not Consolidated	-
6. Networth attributable to shareholding as per latest audited Balance Sheet	Rs. (21,70,503.00)
7. Profit or Loss for the year	
i. Considered in Consolidation	
ii. Not Considered in Consolidation	Rs. (34,54,171.00)

For SHARIKA ENTERPRISES LIMITED
Sd/-
**(Rajinder Kaul)
Managing Director
DIN: 01609805
Add C-581 Sarita Vihar New
Delhi 110044**
Sd/-
**(Ravinder Bhan)
Wholetime Director
DIN: 01609915
Add: A-581, Pocket-A Sarita
Vihar New Delhi 110076**
**Date: 23/11/2020
Place: Delhi**

(Secretarial Audit Report for F.Y 2019-20 for M/s Sharika Enterprises Limited)



PS SHWETA PATHAK AND ASSOCIATES
(Company Secretaries)

FORM NO. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
M/s SHARIKA ENTERPRISES LIMITED
208 Chiranjiv Tower 43 Nehru Place New Delhi - 110019



We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Sharika Enterprises Limited** (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.

We report that:

- Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion. We have not verified the correctness and appropriateness of the financial records and Books of the Company.
- Where ever required, we have obtained the Management representation about the compliances of laws, rules and regulations and happening of events etc. The compliance of the provisions of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of management.

Based on our verification of the Company's 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 authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:



(Secretarial Audit Report for F.Y 2019-20 for M/s Sharika Enterprises Limited)

(Secretarial Audit Report for F.Y 2019-2020 for M/s Sharika Enterprises Limited)

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): —
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading,) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) 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;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
- (vi) Indian Stamp Act, 1899;
- (vii) Indian Contract Act, 1872;
- (viii) Income Tax Act, 1961 and indirect tax laws;and
- (ix) Applicable Labour Laws.

Having regard to the compliance system prevailing in the Company and on the basis of presentation and Reports made by Compliance Auditors of the Company, we further report that the Company has adequate system to ensure the compliance of the other applicable laws specifically to the Company.

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

- Secretarial Standards issued by The Institute of Company Secretaries of India.
- Listing Agreements with Stock Exchanges in India.

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



(Secretarial Audit Report for F.Y 2019-20 for M/s Sharika Enterprises Limited)

(Secretarial Audit Report for F.Y 2019-2020 for M/s Sharika Enterprises Limited)

We further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally 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. But some documents, registers, files are needed to be maintained in more improvised and updated manner. Company management could take steps for maintaining more proper compliance system.
- All decisions at Board Meetings and Committee Meetings are carried out by majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.
- Due to Covid-19 pandemic, there is a nationwide lockdown because of which there was a limited access to documents, registers, files etc. of the company. We had received all the necessary information over mails and via other electronic means from the company. So, as per the due-diligence done by us of the available records and documents of company, maintenance of minutes of board meeting and committees and Statutory Registers of the company are in compliance with the applicable secretarial standards and various provisions of The Companies Act, 2013, however further improvement will be appreciated

We further report that, based on the information received and records maintained 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.

Disclaimer:-

- The secretarial audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
- We have not verified the correctness and appropriateness of financial records and books of accounts of the company.

Place: DELHI
Date: 31/07/2020

For SHWETA PATHAK & ASSOCIATES
Company Secretaries



SHWETA PATHAK
Company Secretary
Membership No.: -46070
C.P. No. 16817
UDIN:- A046070B000654491

(Secretarial Audit Report for F.Y 2019-20 for M/s Sharika Enterprises Limited)

(Secretarial Audit Report for F.Y 2019-2020 for M/s Sharika Enterprises Limited)

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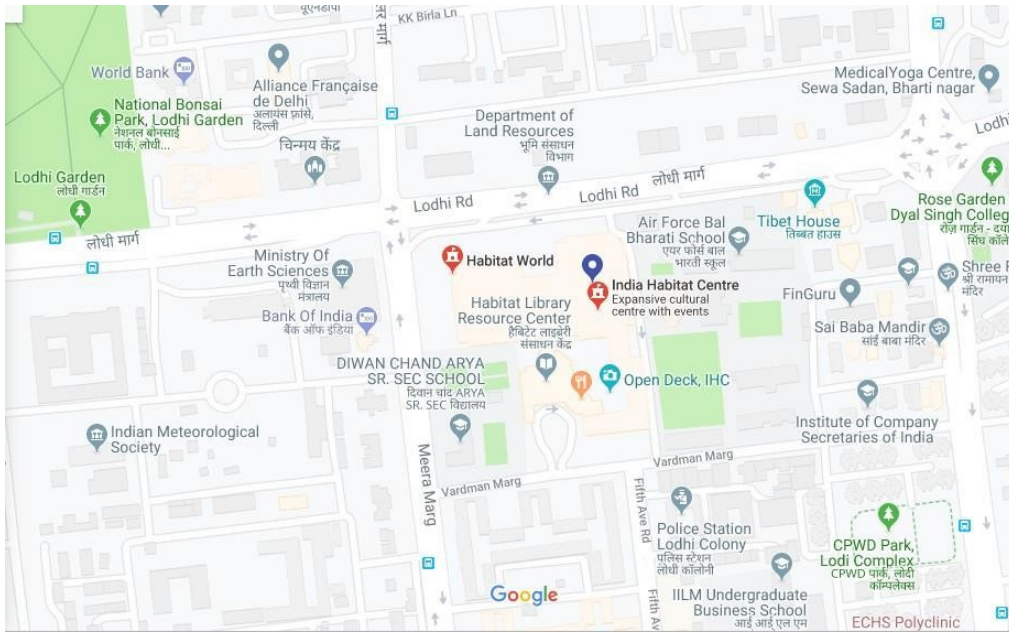
Place: DELHI
Date: 31/07/2020

For SHWETA PATHAK & ASSOCIATES
Company Secretaries



SHWETA PATHAK
Company Secretary
Membership No.-46070
C.P. No.16817
UDIN:- A046070B000654491

MAP



SHARIKA ENTERPRISES LIMITED

CIN:-L51311DL1998PLC093690
Balance Sheet As On March 31, 2020

(Amount in INR)

	Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
I	EQUITY AND LIABILITIES			
1	Shareholders' Funds			
	(a)Equity Share capital	2	108,250,000	108,250,000
	(b)Reserve & Surplus	3	140,771,649	137,444,588
	Total Shareholder's Funds		249,021,649	245,694,588
3	Non Current Liabilities			
	(a)Long Term Borrowing	4	69,913,054	37,569,220
	(b)Other non current liabilities	5	340,000	150,000
	Total of Non Current Liabilities		70,253,054	37,719,220
3	Current Liabilities			
	(a)Short Term Borrowing	6	67,070,941	55,042,152
	(b)Trade Payable	7	162,222,709	109,308,566
	(c)Other Current Liabilities	8	33,196,442	37,399,932
	(d) Short Term Provisions	9	25,300,783	22,136,529
	Total Current Liabilities		287,790,875	223,887,179
	TOTAL EQUITY & LIABILITIES		607,065,578	507,300,988
II.	Assets			
1	Non-Current Assets			
	(a)Property, Plant and Equipment			
	(i) Tangible Assets	10	42,576,332	44,020,269
	(b)Non Current investment	11	8,343,013	10,909,207
	(c)Other Non current Assets	12	57,230,884	75,162,825
	(d)Deferred tax assets (net)	13	1,468,915	1,346,172
	Total Non-Current Assets		109,619,145	131,438,473
3	Current Assets			
	(a)Inventories	14	79,912,134	62,780,563
	(b)Trade Receivable	15	256,986,621	199,130,548
	(c)Cash and cash equivalents	16	9,848,593	12,779,240
	(d)Short term Loans & Advances	17	47,578,751	55,465,511
	(e)Other current assets	18	103,120,334	45,706,652
	Total Current Assets		497,446,433	375,862,514
	TOTAL ASSETS		607,065,578	507,300,988

Notes To The Financial Statements For The Year Ended March 31, 2020

As per our Report of even date attached

For WDK & Associates
Chartered Accountants
(ICAI Firm Reg. No: 016389N)

Dheeraj Wadhwa
Partner
Membership No. 091143
UDIN: 20091143AAAAAY5988



For and on behalf of the Board of Directors
SHARIKA ENTERPRISES LIMITED

Rajinder Kaul
Chief Managing Director
(DIN: 01609805)



Ravinder Bhan
Whole Time Director
(DIN: 01609915)

Kamal Bhatia
Chief Financial Officer

Place: New Delhi
Date : 30th July 2020

SHARIKA ENTERPRISES LIMITED

CIN:-L51311DL1998PLC093690

Statement of Profit and Loss For the year ended on March 31, 2020

(Amount in INR)

Particulars		Note No.	For the year ended on March 31, 2020	For the year ended on March 31, 2019
I.	Revenue From Operations	19	279,547,250	240,234,885
II.	Other Income	20	6,400,246	4,443,804
III.	Total Revenue (I + II)		285,947,496	244,678,690
IV.	Expenses:			
	Cost of Material Consumed	21	173,577,472	188,089,623
	Changes in Inventories	22	(9,063,268)	(46,744,812)
	Employee Benefits Expense	23	37,708,304	41,668,523
	Finance Cost	24	19,804,806	13,687,751
	Depreciation and Amortisation Expense	10	4,539,419	5,072,351
	Other Expenses	25	50,445,997	31,072,734
	Total Expenses (IV)		277,012,730	232,846,169
V.	Profit before Tax (III - IV)		8,934,766	11,832,520
VI.	Tax Expense:			
	(1) Current Tax		3,164,254	3,076,455
	(2) Deferred Tax		(122,743)	(171,072)
VII.	Total Tax Expenses(VII)	13		2,905,383
VIII.	Profit / (Loss) for the Period (V-VI)		5,893,255	8,927,137
VIII.	Earnings per Share (Face value of ` 10/- per Equity Share)	26		
	(1) Basic (in Rs.)		0.54	0.82
	(2) Diluted (in Rs.)		0.54	0.82

Notes To The Financial Statements For The Year Ended March 31, 2020

As per our Report of even date attached

For **MDK & Associates**
Chartered Accountants
(ICAI Firm Reg. No: 016389N)

Dheeraj Wadhwa
Partner
Membership No. 091143
UDIN: 20091143AAAAAY5988



For and on behalf of the Board of Directors
SHARIKA ENTERPRISES LIMITED

Rajinder Kaul
Chief Managing Director
(DIN: 01609805)

Kamal Bhateja
Chief Financial Officer



Ravinder Bhan
Whole Time Director
(DIN: 01609915)

Place: New Delhi
Date : 30th July 2020

SHARIKA ENTERPRISES LIMITED

CIN:-LS1311DL1998PLC093690

Statement of Profit and Loss For the year ended on March 31, 2020

(Amount in INR)

Particulars	For the year ended on March 31, 2020	For the year ended on March 31, 2019
I. Cash Flow from Operating Activities:-		
Profit before Tax as per Profit & Loss Account	8,934,766	11,832,520
Adjustment for		
Depreciation & Amortisation Expenses w/o	4,539,419	5,072,351
Gain on sale of Vehicles	(105,233)	
Balance written back	-	
Interest Expenses	19,804,806	12,225,562
Interest /Other Income received	(770,379)	(3,912,238)
Operating Profit before Working Capital changes:-	32,403,379	25,218,195
Adjustment for change in working Capital:-		
Change in trade receivables	(57,856,073)	(72,996,741)
Change in Inventories	(17,131,571)	(46,744,812)
Change in Loans and Advances	7,886,760	(22,299,366)
Change in other Current Assets	(57,413,682)	(1,403,992)
Change in trade payables	60,683,313	83,224,635
Change in other current liabilities and Provisions	(4,173,025)	(37,438,611)
Change in other non current liabilities	190,000	
Change in other non current assets	17,931,941	
Cash Flow from Operating Activities	(17,478,958)	(72,440,692)
Less: Income Tax Paid	(3,164,254)	(3,076,455)
Net Cash from Operating Activities (A)	(20,643,212)	(75,517,148)
II. Cash Flow from Investing Activities		
Investment in Bank Deposits		-
Purchase of Fixed Assets	(3,020,714)	(100,162)
(Purchase of Investments)/Proceeds from Sale of Investment/Withdrawal of FDRs		
Proceeds from Interest Received	770,379	3,912,238
Net Cash used in Investing Activities (B)	(2,250,335)	3,812,076
III. Cash Flow from Financing Activities		
Proceeds of Long Term Borrowings	32,343,833	-
Repayment of Long Term Borrowings		1,048,452
Proceeds from Short Term Borrowings	12,028,789	9,510,324
Interest paid	(19,804,806)	(12,225,562)
Net Cash used in Financial Activities (C)	24,567,816	(1,666,786)
Net Changes in Cash & Cash Equivalent (A+B+C)	1,674,269	(73,371,858)
Opening Balance of Cash & Cash Equivalent	12,779,240	86,151,098
Closing Balance of Cash & Cash Equivalent	9,848,593	12,779,240

As per our Report of even date attached

For WDK & Associates
Chartered Accountants
(ICAI Firm Reg. No: 016389N)

Dheeraj Wadhwa
Partner
Membership No. 091143
UDIN: 20091143AAAAA5988



Place: New Delhi
Date : 30th July 2020

For and on behalf of the Board of Directors
SHARIKA ENTERPRISES LIMITED

Rajinder Kaul
Chief Managing Director
(DIN: 01609805)

Kamal Bhateja
Chief Financial Officer

Ravinder Bhan
Whole Time Director
(DIN: 01609915)



SHARIKA ENTERPRISES LIMITED

CIN:-L51311DL1998PLC093690

Statement of Profit and Loss For the year ended on March 31, 2020

1. a Corporate Information

Sharika Enterprises Limited is a listed company, registered under the Companies Act, 2013. It was incorporated on **06th May 1998** and has its registered office at **208 CHIRANJIV TOWER 43 NEHRU PLACE NEW DELHI South Delhi DL 110019**. The company is primarily engaged in the business of Management Consultancy & Project Execution services primarily in the power sector for Indian and International Power Equipment Manufacturers. The company has added trading of Electrical items primarily comprising of LED lights and other related products and components. Its operations also include a composite range of activities comprising of engineering, procurement, construction and servicing etc of Power plants and equipments.

The Company made its Initial Public Offering in November, 2017 and met with overwhelming response wherein the public offering was oversubscribed by more than 59 times, a testament to the growth story and future outlook of the Company. The Company was listed on the Bombay Stock Exchange on 27th November, 2017.

1. b Significant accounting policies

(a) Basis of preparation

The financial statements have been prepared to comply in all material respects with the applicable Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 to the extent applicable. The financial statements have been prepared under the historical cost convention, as a going concern, on an accrual basis except in case of assets for which provision for impairment is made and revaluation is carried out. The accounting policies have been consistently applied by the Company.

All Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services provided and time between the rendering of services and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

(b) Use of estimates

In preparation of the financial statements, the management of the company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected. Significant judgements and estimates about the carrying amount of assets and liabilities include useful lives of tangible and intangible assets, impairment of tangible assets, intangible assets including goodwill, investments, employee benefits and other provisions and recoverability of deferred tax assets.

(c) Property, plant and equipment

Property, Plant and Equipment are recorded at cost of acquisition (except for Property, Plant and Equipment acquired on amalgamation, which have been taken at values on the relevant date). Cost includes any expenditure related to the acquisition of asset. All expenses pertaining to any new project, venture or unit till the date of commencement of commercial production, are being capitalized under the head 'Capital works in Progress' and the same is being apportioned to various Property, Plant and Equipment of that project, venture or unit in proportion to their cost on the date of commencement of commercial production.

Property, Plant and Equipment are being depreciated on the Written Down method according to the life specified in Schedule II of the Companies Act, 2013.

(d) Inventories

Inventories are valued at lower of cost and net realisable value. Cost of Raw Materials, Components, Packing Materials and Traded Finished Goods, is determined on the basis of weighted moving average. Cost of manufactured finished goods and work in progress is determined on the weighted moving average cost of Materials consumed and an appropriate portion of the allocable overheads.

(e) Foreign currency transactions

a) Initial recognition

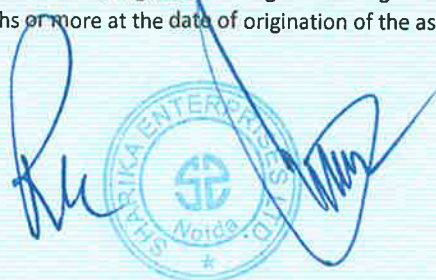
Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

b) Conversion

Foreign currency monetary items are reported using the closing rate.

c) Exchange difference

Any gain or loss on account of exchange difference arising either on the settlement or on reinstatement of foreign currency monetary items is recognized as profit/loss, except exchange difference arising on long term foreign currency monetary items relating to acquisition of depreciable fixed assets, which is adjusted to the carrying amount of such assets. An asset shall be designated as long term foreign currency monetary item, if the asset or liability expressed in foreign currency and has a term of 12 months or more at the date of origination of the asset or liability.



SHARIKA ENTERPRISES LIMITED

CIN:-L51311DL1998PLC093690

Statement of Profit and Loss For the year ended on March 31, 2020

(f) Revenue recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Income from sales - Sales are recognized on dispatch of goods and are accounted net of trade discount, returns and volume rebates,GST.

Income from services - revenue on account of service / consultancy and commission is recognized as and when services have been rendered in terms of agreement.

Interest - Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

(g) Borrowing cost

Borrowing costs attributable to the acquisition, construction or production of a qualifying asset is capitalized as part of the cost of that asset. Borrowing costs, which are not related to Property, Plant and Equipment, are recognized as an expense in the period in which they are incurred. A qualifying asset is one that necessarily takes a substantial period of time to get ready for intended use.

(h) Taxation

Income Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax:

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred Tax Assets/Liabilities are reviewed at each reporting date based on developments during the period and available case laws, to re-assess realizations/liabilities.

(i) Earnings per share

Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted Earning per Share, the net profit or loss for the period attributable to Equity Shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential Equity Shares.

(j) Provisions and contingencies

The Company makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of the obligation can be made.

A disclosure is made for a contingent liability when there is a:

a. Possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully within the control of the Company; or

b. Present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or

c. Present obligation, where a reliable estimate cannot be made.



SHARIKA ENTERPRISES LIMITED

CIN:-L51311DL1998PLC093690

Notes To The Financial Statements For The Year Ended March 31, 2020

	(Amount in INR)			
2	As at March 31, 2020		As at March 31, 2019	
Equity Share Capital	Amount		Amount	
Authorized share capital				
1,10,00,000 (Previous Year 1,10,00,000) Equity Shares of Rs.10/- each	110,000,000		110,000,000	
Issued, subscribed and fully paid up shares				
1,08,25,000 (Previous Year 1,08,25,000) Equity Shares of Rs.10/- each	108,250,000		108,250,000	
Total	108,250,000		108,250,000	
a. Reconciliation of no. of equity shares and amount outstanding at the beginning and at end of reporting year				
	As at March 31, 2020		As at March 31, 2019	
Authorized shares (equity shares of Rs 10 each)	Number	Amount	Number	Amount
At the beginning of the year	11,000,000	110,000,000	11,000,000	110,000,000
Change during the year	-	-	-	-
Outstanding at the end of year	11,000,000	110,000,000	11,000,000	110,000,000
Issued, subscribed and fully paid up shares (equity shares of Rs 10 each)				
	Number	Amount	Number	Amount
At the beginning of the year	10,825,000	108,250,000	10,825,000	110,000,000
Change during the year	-	-	-	-
Outstanding at the end of year	10,825,000	108,250,000	10,825,000	110,000,000
b. Terms/ rights attached to equity shares				
The Company has only one class of Equity Shares having a par value of ` 10 per share. Each shareholders is eligible for one vote per share held.				
In the event of liquidation of the Company, the holders of equity shares will be entitle to receive any of the remaining assets of the Company, after distribution of preferential amount, if any. The distribution will in proportion of the number of equity shares held by the shareholders.				
The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuring Annual General Meeting, except in case of interim dividend.				
c. Detail of shareholders holding more than 5% shares of the Company:				
Name Of Shareholder	As at March 31, 2020		As at March 31, 2019	
	No. Of Shares	Percentage	No. Of Shares	Percentage
Rajinder Kaul	1,976,000	18%	1,976,000	18%
Ravinder Bhan	1,357,208	13%	1,357,208	13%
Arun Kaul	1,357,132	13%	1,357,132	13%
Sanjay Verma	1,085,660	10%	1,085,660	10%
Vikash Pandey	542,868	5%	542,868	5%
Meghana Zutshi Kaul	542,868	5%	542,868	5%
Others in Aggregate	3,963,264	37%	3,963,264	37%
Total	10,825,000	100%	10,825,000	100%



SHARIKA ENTERPRISES LIMITED

CIN:-L51311DL1998PLC093690

Notes To The Financial Statements For The Year Ended March 31, 2020

3	Reserve & Surplus	(Amount in INR)	
		As at March 31, 2020	As at March 31, 2019
A.)	General Reserve		
	As per last Balance Sheet	1,000,000	1,000,000
	Add: Transfer from profit and loss account	-	-
	Total (A)	1,000,000	1,000,000
B.)	Securities Premium Reserve		
	As per last Balance Sheet	92,062,901	92,062,901
	Add: On issue of Shares	-	-
	Total (B)	92,062,901	92,062,901
C.)	Profit and Loss Account		
	As per last Balance Sheet	44,381,687	38,511,366
	Add: Transferred from Profit and Loss Account	5,893,255	8,927,137
	Less:		
	a.) Adjustment on Account of Current year losses of Subsidiaries/Associates		
	Sharika Lightech Pvt Ltd	2,533,384	559,749
	Electromeccanica India Pvt Ltd	-	2,484,895
	Sunruf Energy Pvt Ltd	32,810	12,172
	b.) Bonus shares issued during the year	-	-
	Total	47,708,748	44,381,687
	Total	140,771,649	137,444,588
4	Long Term Borrowing		(Amount in INR)
		As at March 31, 2020	As at March 31, 2019
	Secured	44,952,354	32,234,013
	Unsecured	24,960,701	5,335,207
	Total	69,913,054	37,569,220
5	Other non-current liabilities		(Amount in INR)
		As at March 31, 2020	As at March 31, 2019
	Security for Rent-Sharika Lightec Pvt.Ltd	50,000	50,000
	Other Security Deposits	290,000	100,000
	Total	340,000	150,000
6	Short Term Borrowing		(Amount in INR)
		As at March 31, 2020	As at March 31, 2019
	Secured		
	Loan Repayable On Demand		
	Cash credit with J&K Bank (Secured against Director's personal property)	37,139,523	35,343,458
	Short term loan from NSIC Ltd (Secured against J&K Bank guarantee)	19,931,418	19,698,694
	Unsecured		
	Director	10,000,000	-
	Total	67,070,941	55,042,152
7	Trade Payables		(Amount in INR)
		As at March 31, 2020	As at March 31, 2019
	Due to Micro, Small and Medium Enterprises	2,029,899	-
	Due to Others		
	- Trade Payables for Supplies	160,192,810	109,308,566
	Total	162,222,709	109,308,566

In terms of Section 22 of the Micro, Small and Medium Enterprises Development Act 2006, the outstanding, interest due thereon, interest paid etc. to these enterprises are required to be disclosed. However no provision in the books has been made for the interest payable to the creditors, registered under MSME Act 2006.

***Trade Payables are subject to balance confirmation.**



8 Other Current Liabilities		(Amount in INR)	
		As at March 31, 2020	As at March 31, 2019
Statutory Liabilities			
Duties and Taxes*		3,547,486	4,558,480
EPF & ESI Payable		296,392	695,602
Income Tax		2,806,401	3,503,399
Other Current liabilities			
Current Maturity of Long Term Loans		3,469,457	4,238,842
Advance from Customer		21,802,085	18,860,121
Other Expenses Payable		-	558,203
Employee Benefits payable		1,274,620	4,985,285
Total		33,196,442	37,399,932
*GST payable net of ITC			
9 Short Term Provisions		(Amount in INR)	
		As at March 31, 2020	As at March 31, 2019
Provision For Tax		22,136,529	19,060,074
Provision For Tax for current year		3,164,254	3,076,455
Total		25,300,783	22,136,529
11 Non Current Investments		(Amount in INR)	
		As at March 31, 2020	As at March 31, 2019
Equity Shares -Elettromeccanica India Pvt Ltd		-	559,749
Less:-Adjustment on account of accumulated losses		-	559,749
		-	-
Equity Shares-Sharika Lightec Pvt Ltd.		10,876,397	13,361,292
Less:-Adjustment on account of accumulated losses		2,533,384	2,484,895
		8,343,013	10,876,397
Equity Shares-Sunruf Energy Pvt. Ltd.		32,810	44,982
Less:-Adjustment on account of accumulated losses		32,810	12,172
Total		8,343,013	10,909,207
12 Other Non current Assets		(Amount in INR)	
		As at March 31, 2020	As at March 31, 2019
Non Current Assets recoverable*		57,230,884	75,162,825
Total		57,230,884	75,162,825
*Long over dues, are recoverable as per the payment terms of contract, subject to confirmation.			
13 Deferred Tax Asset(Net)		(Amount in INR)	
In compliance with the Accounting Standard 22 issued on "Accounting For Taxes on Income", the deferred tax liability and deferred tax assets are attributable to the following liabilities and assets:			
		As at March 31, 2020	As at March 31, 2019
Related to Plant,Property & Equipment(Tangible Fixed Asset)		1,468,915	1,346,172
Total		1,468,915	1,346,172
14 Inventories		(Amount in INR)	
		As at March 31, 2020	As at March 31, 2019
WIP*		8,068,303	-
Finished Goods		71,843,831	62,780,563
Total		79,912,134	62,780,563
*Towards projects which remain unbilled, include material cost & allocable expenses.			
15 Trade Receivables		(Amount in INR)	
		As at March 31, 2020	As at March 31, 2019
(Unsecured, considered good unless stated otherwise)			
Outstanding for a period exceeding six months:			
-Considered good		116,933,939	106,597,442
-Considered doubtful		-	-
Others:		-	-
-Considered good		140,052,682	92,533,106
-Considered doubtful		-	-
Total		256,986,621	199,130,548




SHARIKA ENTERPRISES LIMITED

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10 Property, Plant and Equipment

Details of Property, Plant and Equipment reconciliation of their carrying amounts from beginning to end of reporting period are as follows:

Sl. No	Particulars	Gross Carrying Amount (At Cost)			Accumulated Depreciation			Net Book Value		
		As at April 1, 2019	Additions	Disposals	As at March 31, 2020	As at April 1, 2019	Charge for the Year	On Disposals	As at March 31, 2020	As at March 31, 2019
A.)	Tangible Assets									
	Land	18,381,155	-	-	18,381,155	-	-	-	18,381,155	18,381,155
	Building (Jammu & Noida)	32,732,200	-	-	32,732,200	16,271,427	1,577,168	-	14,883,605	16,460,773
	Plant & Machinery	7,044,805	-	61,864	6,982,941	3,999,370	472,839	-	2,510,732	3,045,435
	Furniture and Fixtures	3,932,418	-	-	3,932,418	3,395,673	144,719	-	392,026	536,745
	Vehicles	14,485,433	2,636,386	1,019,645	16,102,174	9,969,177	1,618,048	944,878	5,459,827	4,516,255
	Office Equipment	2,122,584	299,588	-	2,422,172	1,918,724	256,419	-	247,029	203,860
	Computers	6,597,315	296,138	-	6,893,453	5,721,268	470,226	-	701,958	876,047
	Total	85,295,909	3,232,112	1,081,509	87,446,512	41,275,639	4,539,419	944,878	42,576,332	44,020,269
	Previous Year Figures	85,195,747	100,162	-	85,295,909	36,203,289	5,072,351	-	41,275,640	48,992,458

Note : Depreciation on fixed assets has been provided as per WDV rates determined as per the Companies Act, 2013

Trade Receivables are subject to balance confirmation.		
Cash and cash equivalents		
(Amount in INR)		
	As at March 31, 2020	As at March 31, 2019
16	Balances with Banks in Current Account	
	9,294,206	12,756,643
	Cash in hand	
	554,387	22,597
	Total	12,779,240
17	Short -Term Loans & Advances	
(Amount in INR)		
	As at March 31, 2020	As at March 31, 2019
	Advances	
	Unsecured, Considered good	
	Related Parties	
	-	16,988,913
	Advance to supplier	
	34,055,190	22,192,186
	Other Loans & Advances*	
	13,523,561	16,284,412
	Total	55,465,511
	47,578,751	55,465,511
18	*Includes employee's, site & project expenses advance pending settlement/adjustment.	
	Other Current Assets	
(Amount in INR)		
	As at March 31, 2020	As at March 31, 2019
	a) Unsecured, Considered good	
	Balance with Revenue authorities:-	
	TDS/Advance Tax (Earlier Year)	
	4,300,813	2,429,622
	TDS/Advance Tax (Current Year)	
	1,848,949	1,872,355
	Recoverable Duties & Taxes from Govt. (1)	
	4,963,644	2,927,859
	Others:-	
	Inter-Corporate Loan (2)	
	21,420,260	-
	Deposits (3)	
	49,420,354	24,927,575
	Security Deposit	
	792,596	811,796
	Earnest Money Deposit	
	2,962,220	2,975,855
	Prepaid Insurance	
	176,811	176,811
	Fixed Deposit	
	10,523,414	9,584,779
	Others Current Assets (4)	
	6,711,273	-
	Total	45,706,652
	103,120,334	45,706,652
(1) includes Rs.19,89,691/- kept under the lien on the direction of the tax authorities by ICICI & SBI Bank's account. Also include Tax credits of pre GST period amounting to Rs.29,48,953/- on account of excise, vat, service tax etc. brought forward.		
(2) Loans Given to Subsidiaries & Associates companies recoverable on demand.No interest income had been accrued/received in the absence of defined terms in the contract.		
(3) Deposit given to other corporates. In the absence of any agreement, terms of repayment, chargeability of interest and other terms are not verifiable.		
(4) Other current asset are arrived at after adjusting a liability, amounting to Rs.60,00,000/- received in advance against the sale of land at Jammu.		





SHARIKA ENTERPRISES LIMITED

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Notes To The Financial Statements For The Year Ended March 31, 2020

19	Revenue from Operations	(Amount in INR)	
		For the year ended on March 31, 2020	For the year ended on March 31, 2019
	Income from Sales	202,841,023	172,874,383
	Income from Services	76,706,227	67,360,503
	Total	279,547,250	240,234,885
20	Other Income	(Amount in INR)	
		For the year ended on March 31, 2020	For the year ended on March 31, 2019
	Reimbursement of Expenses	68,789	70,672
	Interest on Fixed Deposits Receipts	770,379	3,912,238
	Miscellaneous Income	4,614,264	460,894
	Profit/(Loss) on sale of Vehicle	105,233	-
	Foreign Exchange Fluctuation (Net)	841,582	-
	Total	6,400,246	4,443,804
21	Cost of Material Consumed	(Amount in INR)	
		For the year ended on March 31, 2020	For the year ended on March 31, 2019
	Purchases & Consumables	164,855,771	166,101,997
	Consumables	1,713,611	1,499,455
	Customs Duty	3,098,008	458,052
	Clearing & forwarding	2,015,661	292,017
	Freight & Cartage Inward	1,744,966	1,174,141
	EPC & Site Project Expenses	-	17,639,812
	Factory Power & Fuel	-	10,214
	Factory Maintenance	149,455	913,935
	Total	173,577,472	188,089,623
22	Change in Inventories	(Amount in INR)	
		For the year ended on March 31, 2020	For the year ended on March 31, 2019
	Closing Stock:		
	Opening Balance	62,780,563	16,035,751
	Closing Balance	71,843,831	62,780,563
	Net (Increase) / Decrease in Inventories(A+B)	(9,063,268)	(46,744,812)
24	Employee Benefits Expense	(Amount in INR)	
		For the year ended on March 31, 2020	For the year ended on March 31, 2019
	Salaries & Wages	35,370,198	38,947,374
	Contribution to Provident and Other Fund	1,860,327	2,080,316
	Staff Welfare Expenses	477,779	640,833
	Total	37,708,304	41,668,523
24	Finance Costs	(Amount in INR)	
		For the year ended on March 31, 2020	For the year ended on March 31, 2019
	Interest expense	15,448,862	11,681,832
	Other Borrowing Cost	4,355,944	2,005,919
	Total	19,804,806	13,687,751



25		(Amount in INR)	
a.		For the year ended on March 31, 2020	For the year ended on March 31, 2019
Other Expenses			
	Vehicle running expenses	1,199,960	1,476,975
	Conveyance Expenses	473,088	478,800
	SECI Commision Charges	-	839,767
	Carriage Outward	-	1,146,964
	Insurance Expenses	1,269,038	528,998
	Tender Fees	142,180	129,528
	Auditor's Remuneration	350,000	350,000
	Diwali & Donation Expense	49,200	169,318
	Electricity & Water Expenses	1,485,037	1,312,830
	Business Promotion Expenses	3,145,570	2,595,312
	Subscription,Registration & other Fees	246,187	1,644,930
	Freight Outward	471,198	1,865,360
	Legal & Professional Charges	3,117,149	2,942,760
	Office Expenses	477,231	524,975
	Postage & Courier	59,456	88,229
	Printing & Stationery	1,933,763	383,573
	Rates & Taxes	1,127,609	117,053
	Rent	1,535,737	2,002,065
	Repair & Maintenance	1,153,911	675,179
	Tours & Travelling Expenses	5,225,025	10,565,461
	Telephone & Broadband Charges	1,114,377	1,144,798
	Miscellaneous Expenses	1,875,683	89,860
	Project Expenses	21,826,623	-
	GST Late Fee	76,650	-
	Other Expenses	2,091,325	-
	Total	50,445,997	31,072,734
b. Payment to Auditors			(Amount in INR)
		For the year ended on March 31, 2020	For the year ended on March 31, 2019
(i)	Statutory Audit Fees	200,000	200,000
(ii)	Other Matter	150,000	150,000
	Total	350,000	350,000
26 Earning per Share (EPS) is computed in accordance with Indian Accounting Standard (As-20) on "Earning per Share"			
		(Amount in INR)	
Earnings per Equity Share		For the year ended on March 31, 2020	For the year ended on March 31, 2019
	Profit after Tax	5,893,255	8,927,137
	Number of Equity Shares at Beginning of the year	10,825,000	10,825,000
	Add: Weighted average number of equity share issued	10,825,000	10,825,000
	Weighted average number of Equity shares for basic EPS*	10,825,000	10,825,000
	Face Value per Equity Share (`)	10.00	10.00
Earnings per Equity Share (for continuing operation):			
	(1) Basic (in `)	0.54	0.82
	(2) Diluted (in `)	0.54	0.82





SHARIKA ENTERPRISES LIMITED

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Notes To The Financial Statements For The Year Ended March 31, 2020

27 RELATED PARTY DISCLOSURE (AS CERTIFIED BY THE MANAGEMENT)

A. List of Related Parties

(a) Key Managerial Personnel	Name	Relationship
	Rajinder Kaul	Chief Managing Director
	Ravinder Bhan	Whole Time Director
	Arun Kaul	Whole Time Director
	Sanjay Verma	Whole Time Director
	Kamal Bhateja	Chief Financial Officer
	Elettromeccanica Private Limited	Subsidiary
	Sharika Lightec Private Limited	Subsidiary

(a) Relative of Key Managerial Personnel

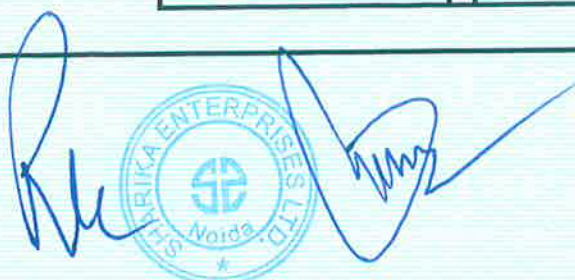
Mukta Mani Kaul	Relative of Director
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Note: Related party relationship on the basis of the requirements of Accounting standard 18 as in 4A(a) to (b) above is as reported by Management and relied upon by the Auditors.

B. Summary of Transactions with related Parties

(Amount in INR)

Nature of Transaction	March 31, 2020	March 31, 2019
Loan Taken		
Rajinder Kaul	11,000,000	1,640,000
Arun Kaul	200,000	195,000
Ravinder Bhan	-	225,000
Total	11,200,000	1,835,000
Loan Repaid		
Rajinder Kaul	1,000,000	6,095,615
Arun Kaul	200,000	195,000
Ravinder Bhan	-	225,000
Total	1,200,000	6,515,615
Loans and Advances Given		
Elettromeccanica Private Limited	2,000,000	4,598,542
Sharika Lightec Private Limited	4,210,000	-
Kamal Bhateja	-	25,000
Total	6,210,000	4,598,542
Loans and Advances Paid		
Kamal Bhateja	44,000	115,596
Elettromeccanica Private Limited	10,848,290	1,370,542
Sharika Lightec Private Limited	4,210,000	-
Total	15,102,290	1,486,138



Managerial Remuneration/Employee Benefit		
Rajinder Kaul	2,411,000	2,880,000
Ravinder Bhan	2,411,000	2,880,000
Arun Kaul	2,469,729	2,880,000
Sanjay Verma	3,371,000	3,360,000
Kamal Bhateja	822,041	760,686
Total	11,484,770	12,760,686
Payment to Creditor		
Sharika Lightec Private Limited	4,210,000	4,435,000
Total	4,210,000	4,435,000
Sales		
Elettromeccanica Private Limited	214,790	-
Total	214,790	-
Outstanding Balances		
Loan		
Rajinder Kaul	10,000,000	4,455,615
Total	10,000,000	4,455,615
Loans and Advances		
Kamal Bhateja	45,796	136,392
Elettromeccanica Private Limited	8,848,290	4,416,943
Sharika Lightec Private Limited	12,571,970	12,571,970
Total	21,466,056	17,125,305
Creditor		
Sharika Lightec Private Limited	1,192,010	5,360,220
Total	1,192,010	17,125,305
Debtors		
Sharika Lightec Private Limited	1,502,000	1,502,000
Mukta Mani Kaul	50,000	50,000
Total	1,552,000	1,552,000
Managerial Remuneration/Employee Benefit Payable/(Receivable)		
Rajinder Kaul	530,000	950,000
Ravinder Bhan	(52,880)	497,120
Arun Kaul	(85,000)	335,000
Sanjay Verma	390,000	420,000
Kamal Bhateja	749	8,344
Total	782,869	2,210,464





28 The Company is a Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standard notified under the Companies Act,2013. Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company.

29 There are dues as trade payable to micro,small and medium enterprises under the "Act" as on 31.03.2020 of Rs20,29,899/- (Previous Year NIL). No interest was due/provided during the year or previous year.

30 Previous year figures have been regrouped and/or rearranged, wherever, necessary to conform to those of the current year grouping. Negative figures have been shown in brackets.

As per our Report of even date attached

For WDK & Associates
Chartered Accountants
(ICAI Firm Reg. No: 016389N)



Dharamraj Wadhwa
Partner
Membership No. 091143
UDIN: 20091143AAAAAY5988





Rajinder Kaur
Chief Managing Director
(DIN: 01609805)

For and on behalf of the Board of Directors
SHARIKA ENTERPRISES LIMITED




Ravinder Bhan
Whole Time Director
(DIN: 01609915)


Kamal Bhateja
Chief Financial Officer

Place: New Delhi
Date : 30th July 2020

Sharika Enterprises Limited

Regd. Office: 208, Nehru Place, New Delhi - 110 019

CIN: L51311DL1998PLC093690, Tel: 0120 2593900

Email Id: info@sharikaindia.com, website: www.sharikaindia.com

				(Rs.)	
Statement of Assets & Liabilities for the half year and year ended					
S No.	Particulars	Standalone		Consolidated	
		As at 31.03.2020	As at 30.09.2019	As at 31.03.2020	As at 30.09.2019
		(Audited)	(Audited)	(Audited)	(Audited)
I EQUITY AND LIABILITIES					
(1)	Shareholders' funds				
	(a) Share capital	108,250,000	108,250,000	108,250,000	108,250,000
	(b) Reserves and surplus	140,771,649	142,880,840	136,606,975	139,165,008
	Sub total- Share holder's fund	249,021,649	251,130,840	244,856,975	247,415,008
(2)	Share application money pending allotment			20,477	38,661
(3)	Minority Interest				
(4)	Non-current liabilities				
	(a) Long-term borrowing	69,913,054	38,493,359	77,658,255	46,164,370
	(b) Other Long term liabilities	340,000	200,000	340,000	150,000
	Sub total- Non current liabilities	70,253,054	38,693,359	78,018,732	46,353,031
(5)	Current liabilities				
	(a) Short-term borrowing	67,070,941	68,327,053	85,178,365	70,752,850
	(b) Trade payables	162,222,709	169,404,201	233,268,847	199,572,805
	(c) Other current liabilities	33,196,442	76,912,234	33,537,791	77,498,603
	(d) Short-term provisions	25,300,783	24,044,158	26,233,587	24,138,065
	Sub total- current liabilities	287,790,875	338,687,647	378,218,590	371,962,322
	TOTAL EQUITY AND LIABILITIES	607,065,579	628,511,845	701,094,297	665,730,361
II ASSETS					
1	Non-current assets				
	(a) Fixed assets				
	(i) Tangible assets	42,576,332	42,090,842	60,136,767	53,482,507
	(b) Non-current investments	8,343,013	10,909,207	-	-
	(d) Other Non Current Assets	57,230,884	64,344,366	57,230,884	27,040,169
	(c) Deferred tax Assets (Net)	1,468,915	1,353,019	7,051,026	6,935,130
	Sub total- Non current assets	109,619,145	118,697,434	124,418,677	87,457,806
2	Current assets				
	(a) Inventories	79,912,134	103,215,701	123,139,007	128,759,794
	(b) Trade receivables	256,986,622	233,362,870	280,854,214	289,863,985
	(c) Cash and Cash Equivalents	9,848,592	19,760,145	10,182,090	22,992,013
	(d) Short-term loans and advances	47,578,751	92,801,779	50,430,288	75,055,099
	(e) Other Current Assets	103,120,334	60,673,917	112,070,019	61,601,664
	Sub total- current assets	497,446,433	509,814,412	576,675,619	578,272,556
	TOTAL ASSETS	607,065,578	628,511,846	701,094,296	665,730,361

Notes:

1) The above financial results are as per Regulation 33 of the SEBI (Listing Obligation and disclosure Requirement), Regulations, 2015 and have been taken on record by the Board of Directors at its meeting held on 30th May, 2018 after being reviewed by the Audit Committee.

2) The segment reporting as defined in Accounting Standard (AS - 17) is not applicable to the Company.

3) The figures of the previous period/year have been regrouped/recast, wherever considered necessary, to correspond with the current period's classification

By order of the Board
For Sharika Enterprises Limited



Rajinder Kaul
Chairman & Managing Director
DIN: 01609805

Place: Noida
Date : 30.07.2020

Sharika Enterprises Limited

Regd. Office: 208, Nehru Place, New Delhi - 110 019

CIN: L51311DL1998PLC093690, Tel: 0120 2593900

Email Id: info@sharikaindia.com, website: www.sharikaindia.com

Statement of Audited Financial Results for the half year and year ended on				(Rs.)	
Standalone				Consolidated	
Sr. No.	Particulars	Year ended	Half year ended	Year ended	Half year ended
		31/03/2020	30/09/2019	31/03/2020	30/09/2019
		(Audited)	(Audited)	(Audited)	(Audited)
I	Revenue from operations	279,547,250	132,314,188	279,640,225	132,448,938
II	Other income	6,400,246	8,366,151	6,455,031	8,389,804
III	Total Revenue (I+II)	285,947,496	140,680,340	286,095,256	140,838,742
IV	Expenses				
	(a) Operating Expenses	173,577,472	129,679,013	173,395,447	129,679,013
	(b) Changes in Inventories	(9,063,268)	(40,435,137)	(8,870,743)	(40,435,137)
	(c) Employee Benefit Expense	37,708,304	17,816,329	37,911,093	17,902,708
	(d) Finance Costs	19,804,806	9,030,295	21,243,535	9,598,719
	(e) Depreciation & Amortization Cost	4,539,419	1,925,262	7,332,073	3,939,576
	(f) Other Expense	50,445,997	15,327,545	50,626,655	15,418,977
	Total expenses	277,012,730	133,343,305	281,638,060	136,103,855
V	Profit before exceptional and extraordinary items and tax (III-IV)	8,934,766	7,337,034	4,457,196	4,734,887
VI	Exceptional items	-	-		
VII	Profit before extraordinary items and tax (V-VI)	8,934,766	7,337,034	4,457,196	4,734,887
VIII	Extraordinary items	-	-	-	-
IX	Profit before tax (VII-VIII)	8,934,766	7,337,034	4,457,196	4,734,887
X	Tax expense				
1)	Current Tax	3,164,254	1,907,629	3,164,254	1,907,629
2)	Earlier Year Tax	-	-	-	-
3)	Deferred Tax	(122,743)	(6,847)	(122,743)	(6,847)
XI	Profit (Loss) for the period (IX-X)	5,893,255	5,436,252	1,415,685	2,834,105
XII	Earnings per equity share:				
1)	Basic/Diluted	0.54	0.50	0.13	0.26

Place: Noida
Date : 30.07.2020

By order of the Board
For Sharika Enterprises Limited



Rajinder Kaul
Chairman & Managing Director
DIN: 01609805



**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SHARIKA ENTERPRISES LIMITED
Report on the Audit of the Standalone Financial Statements**

Opinion

We have audited the accompanying standalone financial statements of **SHARIKA ENTERPRISES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, and the Statement of Cash Flows for the year ended on that date, and a summary of the 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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the net profit, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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 report.

- a) The company has investments in Subsidiary and Associate Companies. These investments are carried out at cost less adjustment on account of accumulated losses of the respective subsidiary and associate companies. The company has disclosed the loss based on the standalone audited financial statements of the respective companies. (Refer Note 11 of the standalone financial statements)



- b) We are unable to verify physical inventories due to the size and nature of inventories and we are also unable to satisfy ourselves by alternative audit procedures concerning the inventories held at 31st March, 2020. Also, our presence at client premises for the physical verification of inventory was impracticable under current lock-down restrictions imposed by the Government.

We have therefore relied on the information, explanations and other documents provided by the Management. However, as explained by Management, physical verification of Inventories has been conducted at reasonable intervals of some of the items of Inventory and no material discrepancies were observed.

As per the accounting policy of the Company, the Company is valuing its inventories at lower of cost and net realizable value. Since proper Inventory records are not maintained, exact cost is not ascertainable, and therefore the impact if any, on account of valuation of inventories on basis of actual cost is not quantifiable and thus, not provided for.

- c) Balances under trade receivables and trade payables, loans and advances and deposits given by the Company and parties from whom unsecured loans have been taken are subject to confirmations and adjustments, if any, required upon such confirmations are not ascertainable and hence not provided for. As explained by the management, no external balance confirmations were received due to lockdown imposed by the Government due to Covid-19.
- d) The Fixed Deposits shown in the financial statement are confirmed by the management. The supported documents could not be arranged during the audit period.
- e) The GST Input tax credit in the books of accounts is not in reconciliation with credit shown at the GST portal. We have not received any reconciliation for the same from the Management. **(Refer Note 8 of the standalone financial statements)**

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs as evidence by financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (AS) and other accounting principles generally accepted in



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

In preparing the standalone financial statements, management and Board of Directors are 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.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing 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 relationships 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 the standalone 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 consequences 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 Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained, subject to key audit matters, all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**".
- g) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:



- i. The Company has not disclosed the impact of pending litigations on its financial position in its financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts, which were required to be transferred, to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **WDK & ASSOCIATES**
Chartered Accountants
FRN: 016389N



Dheeraj Wadhwa
Partner
Membership No.091143
UDIN: 20091143AAAAAY5988

Place: New Delhi
Date: 30th July 2020

Annexure - A to the Independent Auditors' Report

(Refer to paragraph 1(f) under 'Report on other Legal & Regulatory Requirements' section of our report to the Members of Sharika Enterprises Limited)

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

We have audited the internal financial controls over financial reporting of **SHARIKA ENTERPRISES LIMITED** ("the Company") as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial control system with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance note").

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

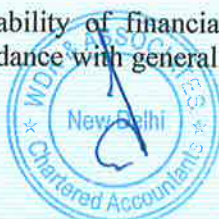
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on 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 with reference to Financial Statements

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include 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 authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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.

For **WDK & ASSOCIATES**
Chartered Accountants
FRN: 016389N



Dheeraj Wadhwa
Partner
Membership No.091143
UDIN: 20091143AAAAAY5988

Place: New Delhi
Date: 30th July 2020

Annexure - B to the Auditors' Report

The Annexure referred to paragraph 2 under 'Report on other Legal & Regulatory Requirements' section of our report to the Members of Sharika Enterprises Limited of even date, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- (b) The fixed assets were physically verified during the year under audit by the Management in accordance with a regular programme of verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us, the title deeds of immovable properties, are held in the name of the Company.
- (ii) Some of the items of the inventories are physically verified during the year by the management and discrepancies if any noticed on verification between the physical stocks and the book records were adjusted in books.
- (iii) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has granted unsecured loans to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (b) The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, paragraph 3(iii) (b) of the Order is not commented upon in respect of repayment of the principal amount.
- (c) In the absence of any stipulated repayment schedule, we cannot comment on the overdue amounts in respect of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Section 185 & 186 of the Act in respect of grant of loans and investments made. The loans given are to the associate and wholly owned subsidiary Company. However, in the absence of any formal agreement, no interest has been recovered or accrued on the loans given.
- (v) The Company has not accepted any deposit from the public covered under Section 73 to 76 of the Companies Act, 2013. Therefore, the provisions of paragraph 3(v) of the Order are not applicable to the Company.
- (vi) To the best of our knowledge and as explained to us, the Central Government has not specified the maintenance of cost records under section 148 (1) of the Companies Act, 2013 for the business activities carried out by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable to the company.
- (vii) a) According to the information and explanation 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, Employees State Insurance, Income Tax, Goods and Service Tax, Custom Duty, Cess and other material dues have been generally deposited during the period by the Company with appropriate authorities with some delays.
- b) There is no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income Tax, Goods and Service Tax, Custom Duty, Cess and other material dues in arrears as at March 31, 2020 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 material dues of income tax, Goods and Service Tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute. However, there is certain amount payable on account of TDS/Income tax which is yet to be deposited pending finalisation/settlement of actual amount payable.
- viii) Based on the records examined by us and as per the information and explanations given to us, the payment of principal as well as interest dues to banks and Financial Institutions in the form of Term Loan or Cash Credit/Overdraft Facilities were not defaulted. The Company did not have any debentures.
- ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instrument) during the year. According to the information and explanations given to us, money taken by way of Term loans or Cash Credit/Overdraft facilities from Bank or Financial Institutions during the year were applied for the purpose they were raised.
- x) Based on the audit procedures performed and the information and explanations given to us, we report that no material fraud on or by the Company has been noticed or reported during the period, nor have we been informed of such case by the management;
- xi) According to the information and explanations given by the management and based on our examination of the record 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 explanation given to us, the Company is not a Nidhi Company and hence the paragraph 3(xii) 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 section 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) According to information and explanation given to us the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period.
- xv) According to information and explanation given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the paragraph 3(xv) is not applicable the Company.
- xvi) In our opinion and on the basis of information and explanation given to us by the management, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **WDK & ASSOCIATES**

Chartered Accountants

FRN/016389N


Dheeraj Wadhwa
Partner

Membership No.091143

UDIN: 20091143AAAAAY5988



Place: New Delhi
Date: 30th July 2020