



# SHARIKA ENTERPRISES LIMITED

(FORMERLY KNOWN AS SHARIKA ENTERPRISES PRIVATE LIMITED)

## ANNUAL REPORT 2017-18

# 20TH ANNUAL GENERAL MEETING

(TO BE HELD ON SATURDAY, THE 29<sup>TH</sup> DAY OF SEPTEMBER,  
2018 at 11 A.M AT MARIGOLD HALL, HABITAT WORLD, INDIAN  
HABITAT CENTER, LODHI ROAD NEW DELHI-110003)

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# CORPORATE INFORMATION

**NAME OF THE COMPANY:**

SHARIKA ENTERPRISES LIMITED

**CIN:**

L51311DL1998PLC093690

**REGISTERED OFFICE :**

208, CHIRANJIV TOWER, 43 NEHRU PLACE, NEW DELHI - 110019

**CORPORATE OFFICE:**

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

**WEBSITE:**

[www.sharikaindia.com](http://www.sharikaindia.com)

**SHARES LISTED WITH:**

BOMBAY STOCK EXCHANGE (SME Platform)

**MANAGEMENT & KMP OF THE COMPANY**

Mr. RAJINDER KAUL

Mr. RAVINDER BHAN

Mr. ARUN KAUL

Mr. SANJAY VERMA

Mrs. MUKTA MANI KAUL

Mr. VIKAS PANDEY

Mr. MAHESH PANDEY

Chairman & Managing Director

Whole-time director

Whole-time director

Executive Director

(appointed w.e.f. 30.05.2018)

Non-Executive Director

CFO (KMP)

Company secretary (KMP)

(Resigned on 26.06.2018)

**INDEPENDENT DIRECTORS**

Mr. ASHOK KUMAR KAUL

Mr. RAJINDER KHAZANCHI

Independent Director

Independent Director

(Resigned on 17.05.2018)

**BOARD COMMITTEES****AUDIT COMMITTEE:**

Mr. RAJINDER KHAZANCHI	Chairman
Mr. ASHOK KUMAR KAUL	Member
Mr. RAJINDER KAUL	Member

**NOMINATION & REMUNERATION COMMITTEE:**

Mr. ASHOK KUMAR KAUL	Chairman
Mr. RAJINDER KHAZANCHI	Member
Mrs. MUKTA MANI KAUL	Member

**STAKEHOLDER RELATIONSHIP COMMITTEE:**

Mrs. MUKTA MANI KAUL	Chairman
Mr. RAJINDER KHAZANCHI	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 Kundan Agrawal & Associates,  
Company Secretaries  
H-23A, 204, Kamal Tower, 2<sup>nd</sup> Floor near Sai Mandir, Vikas Marg, Laxmi Nagar, Delhi – 110092

**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 20<sup>th</sup> Annual General Meeting of the Members of **SHARIKA ENTERPRISES LIMITED** will be held on Saturday, 29<sup>th</sup> day of September, 2018 at 11.00 A.M. at its Registered Office at MARIGOLD HALL, HABITAT WORLD, INDIAN HABITAT CENTER, LODHI ROAD NEW DELHI-110003 (Entry from Gate No. 1) 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 31<sup>st</sup> March, 2018 and the Statement of Profit and Loss of the Company for the financial year ended 31<sup>st</sup> March, 2018 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. RAVINDER BHAN (DIN 01609915), 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.

## **Special Business:**

3. TO REGULARIZE THE APPOINTMENT OF MR. SANJAY VERMA AND TO APPROVE REMUNERATION:

To consider and if thought fit to pass with or without modification the following resolution as ordinary resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 149, 152, 160 and the Companies (Appointment and qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactments thereof for the time being in force) and all other applicable provisions of the Companies Act, 2013, if any, Mr. Sanjay Verma (DIN: 08139841) who was appointed as an additional Director of the Company w.e.f 30.05.2018 by the Board of Directors on the recommendation of Nomination and Remuneration Committee and who holds office upto the date of ensuing AGM of the Company be and is hereby appointed as Executive Director of the Company whose period of office will be liable to determination by retirement by Rotation.

**FURTHER RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 read with Schedule V of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the

time being in force) (“the Act”) and rules made there under, and after such other approvals as may be required, the payment of Managerial Remuneration to Mr. Sanjay Verma, Executive Director of the Company, on such terms and conditions, as approved by the Board of Directors of the Company be and is hereby approved even if it is in excess of the limits prescribed under Schedule V of the Act.

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year(s), during the currency of tenure of Mr. Sanjay Verma as Executive Director of the Company, the above mentioned remuneration be paid to Mr. Sanjay Verma, as minimum remuneration, subject to the approvals required, if any.

**RESOLVED FURTHER THAT** the Board of Directors or a Committee thereof be and is hereby authorized to alter or vary the remuneration within the provisions of Schedule V of the Companies Act, 2013 to the extent the Board or Committee thereof may consider appropriate, as may be permitted or authorized in accordance with any provisions under Companies Act, 2013 or schedule appended thereto and settle any question or difficulty in connection therewith and incidental thereto.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds and things as may be necessary, proper or expedient to give effect to the above said resolution.”

#### 4. TO REGULARIZE THE APPOINTMENT OF MR. RANJEET VERMA KUMAR (DIN: 02758995)

To consider and if thought fit to pass with or without modification the following resolution as ordinary resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 149, 152 and the Companies (Appointment and qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactments thereof for the time being in force) and all other applicable provisions of the Companies Act, 2013, if any, Mr. Ranjeet Verma (DIN: 02758995) who was appointed as an additional Director of the Company w.e.f 14.08.2018 by the Board of Directors on the recommendation of Nomination and Remuneration Committee and who holds office upto the date of ensuing AGM of the Company be and is hereby appointed as Independent Director of the Company to hold office for a period of 5 (five) consecutive years w.e.f. 14.08.2018 to 13.08.2023.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds and things as may be necessary, proper or expedient to give effect to the above said resolution.

5. TO REGULARIZE THE APPOINTMENT OF MS. PINKI KUMARI (DIN: 07932165)

To consider and if thought fit to pass with or without modification the following resolution as ordinary resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 149, 152 and the Companies (Appointment and qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactments thereof for the time being in force) and all other applicable provisions of the Companies Act, 2013, if any, Ms. Pinki Kumari (DIN: 07932165) who was appointed as an additional Director of the Company w.e.f 14.08.2018 by the Board of Directors on the recommendation of Nomination and Remuneration Committee and who holds office upto the date of ensuing AGM of the Company be and is hereby appointed as Independent Director of the Company to hold office for a period of 5 (five) consecutive years w.e.f. 14.08.2018 to 13.08.2023

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds and things as may be necessary, proper or expedient to give effect to the above said resolution.

6. TO APPROVE THE REMUNERATION PAYABLE TO MR. RAJINDER KAUL

To consider and if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 read with Schedule V of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) (“the Act”) and rules made there under, and after such other approvals as may be required, the payment of Managerial Remuneration to Mr. Rajinder Kaul (DIN: 01609805), Executive Managing Director of the Company, on such terms and conditions, as approved by the Board of Directors of the Company be and is hereby approved even if it is in excess of the limits prescribed under Schedule V of the Act and further the remuneration already paid to Mr. Rajinder Kaul exceeding the limits prescribed in the act, if any, be and is hereby ratified:

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year(s), during the currency of tenure of Mr. Rajinder Kaul as Executive Managing Director of the Company, the above mentioned remuneration be paid to Mr. Rajinder Kaul, as minimum remuneration, subject to the approvals required, if any.

**RESOLVED FURTHER THAT** the Board of Directors or a Committee thereof be and is hereby authorized to alter or vary the remuneration within the provisions of Schedule V of the Companies Act, 2013 to the extent the Board or Committee thereof may consider appropriate, as may be permitted or authorized in accordance with any provisions under Companies Act, 2013 or schedule appended thereto and settle any question or difficulty in connection therewith and incidental thereto.

**RESOLVED FURTHER THAT** Directors of the company, be and are hereby authorized to inform all concerned of the aforesaid alteration in remuneration, and to present/file necessary intimation, application, notice, papers, forms, or any other document/deeds etc. before the Competent Authorities, if required, in such form and manner as may be required or necessary and also to do all acts, deeds, things, and matters as may be required or necessary to give effect to this resolution or as otherwise considered by the Board of Directors to be in the best interest of the Company, as it may deem fit.”

#### 7. TO APPROVE THE REMUNERATION PAYABLE TO MR. RAVINDER BHAN

To consider and if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 read with Schedule V of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) (“the Act”) and rules made thereunder, and after such other approvals as may be required, the payment of Managerial Remuneration to Mr. Ravinder Bhan, Executive Whole-time Director of the Company, on such terms and conditions, as approved by the Board of Directors of the Company be and is hereby approved even if it is in excess of the limits prescribed under Schedule V of the Act and further the remuneration already paid to Mr. Ravinder Bhan exceeding the limits prescribed in the act, if any, be and is hereby ratified:

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year(s), during the currency of tenure of Mr. Ravinder Bhan as Executive Whole time Director of the Company, the above mentioned remuneration be paid to Mr. Ravinder Bhan, as minimum remuneration, subject to the approvals required, if any.

**RESOLVED FURTHER THAT** the Board of Directors or a Committee thereof be and is hereby authorized to alter or vary the remuneration within the provisions of Schedule V of the Companies Act, 2013 to the extent the Board or Committee thereof may consider appropriate, as may be permitted or authorized in accordance with any provisions under Companies Act,



2013 or schedule appended thereto and settle any question or difficulty in connection therewith and incidental thereto.

**RESOLVED FURTHER THAT** Directors and CFO of the company, be and are hereby severally authorized to inform all concerned of the aforesaid alteration in remuneration, and to present/file necessary intimation, application, notice, papers, forms, or any other document/deeds etc. before the Competent Authorities, if required, in such form and manner as may be required or necessary and also to do all acts, deeds, things, and matters as may be required or necessary to give effect to this resolution or as otherwise considered by the Board of Directors to be in the best interest of the Company, as it may deem fit.”

#### 8. TO APPROVE THE REMUNERATION PAYABLE TO MR. ARUN KAUL

To consider and if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 read with Schedule V of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) (“the Act”) and rules made there under, and after such other approvals as may be required, the payment of Managerial Remuneration to Mr. Arun Kaul, Executive Whole-time Director of the Company, on such terms and conditions, as approved by the Board of Directors of the Company be and is hereby approved even if it is in excess of the limits prescribed under Schedule V of the Act and further the remuneration already paid to Mr. Arun Kaul exceeding the limits prescribed in the act, if any, be and is hereby ratified:

**RESOLVED FURTHER THAT** in the event of loss or inadequacy of profits in any financial year(s), during the currency of tenure of Mr. Arun Kaul as Executive Whole time Director of the Company, the above mentioned remuneration be paid to Mr. Arun Kaul, as minimum remuneration, subject to the approvals required, if any.

**RESOLVED FURTHER THAT** the Board of Directors or a Committee thereof be and is hereby authorized to alter or vary the remuneration within the provisions of Schedule V of the Companies Act, 2013 to the extent the Board or Committee thereof may consider appropriate, as may be permitted or authorized in accordance with any provisions under Companies Act, 2013 or schedule appended thereto and settle any question or difficulty in connection therewith and incidental thereto.

**RESOLVED FURTHER THAT** Directors and CFO of the company, be and are hereby severally authorized to inform all concerned of the aforesaid alteration in remuneration, and to

present/file necessary intimation, application, notice, papers, forms, or any other document/deeds etc. before the Competent Authorities, if required, in such form and manner as may be required or necessary and also to do all acts, deeds, things, and matters as may be required or necessary to give effect to this resolution or as otherwise considered by the Board of Directors to be in the best interest of the Company, as it may deem fit.”

**For SHARIKA ENTERPRISES LIMITED**

	<b>Sd/-</b>	<b>Sd/-</b>
Date: 01/09/2018	(Rajinder Kaul)	(Ravinder Bhan)
Place: Delhi	Managing Director	Wholetime Director
	DIN: 01609805	DIN: 01609915
	Add C-581 Sarita Vihar	Add: A-581, Pocket-A
	New Delhi 110044	Sarita Vihar New Delhi
		110076

Notes:

1. 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.

2. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 22<sup>nd</sup> September, 2018 to Saturday, 29<sup>th</sup> September, 2018 (both days inclusive) for the purpose of the AGM.
3. 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.
4. 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.
5. 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.
6. Members are requested :
  - i) To quote their folio Nos. in all correspondence.
  - ii) To note that no gifts will be distributed at the meeting.
7. 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.
8. 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.

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

### Item No. 3

#### TO REGULARIZE THE APPOINTMENT OF MR. SANJAY VERMA

Mr. Sanjay Verma was appointed as an Additional Director of the Company with effect from 30th May, 2018, in accordance with the provisions of Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company.

Pursuant to Section 161 of the Companies Act, 2013, the above director holds office only up to the date of this Annual General Meeting of the Company.

The Board is of the view that the appointment of Mr. Sanjay Verma on the Company's Board as Director is desirable and would be beneficial to the Company and hence it recommends the said Resolution No. 3 to be passed as an ordinary resolution by the shareholders of the Company.

None of the Directors/Key Managerial Personnel of the Company/their relatives, except Mr. Sanjay Verma himself, is in any way concerned or interested, in the said resolution.

### Item No. 4

#### TO REGULARIZE THE APPOINTMENT OF MR. RANJEET VERMA KUMAR

Mr. Ranjeet Verma Kumar (DIN: 02758995) was appointed as an Additional Director of the Company with effect from 14<sup>th</sup> August, 2018, in accordance with the provisions of Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company.

Pursuant to Section 161 of the Companies Act, 2013, the above director holds office only up to the date of this Annual General Meeting of the Company.

In the opinion of the Board, Mr. Ranjeet Verma fulfil the conditions specified in Section 149 (6) & Section 149 (7) of the Companies Act, 2013 and the rules made there under. Accordingly, the Board proposes to co-opt Mr. Ranjeet Verma as Independent Director of the Company for a period of 5 years with effect from 14<sup>th</sup> August, 2018 as set out at Item No. 4 of this Notice. The company has received the Notice as required under Section 160 of the Companies Act, 2013 from a member proposing the candidature as an Independent Director of the Company. Further, in terms of Section 149(13) of the said Act, Mr. Ranjeet Verma shall not be liable to retire by rotation. Brief profile of the said Independent Director, in terms of Regulation 36(3) of

the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 is provided after this Notice. The Board accordingly recommends the resolution at Item No. 4 of this Notice for the approval of the Members as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives other than those mentioned in the resolution and their relatives, are in any way concerned or interested, financially or otherwise, in the resolution

#### **Item No. 5**

##### TO REGULARIZE THE APPOINTMENT OF MS. PINKI KUMARI (DIN: 07932165)

Ms. Pinki Kumari (DIN: 07932165) was appointed as an Additional Director of the Company with effect from 14<sup>th</sup> August, 2018, in accordance with the provisions of Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company.

Pursuant to Section 161 of the Companies Act, 2013, the above director holds office only up to the date of this Annual General Meeting of the Company.

In the opinion of the Board, Ms. Pinki Kumari fulfils the conditions specified in Section 149 (6) & Section 149 (7) of the Companies Act, 2013 and the rules made there under. Accordingly, the Board proposes to co-opt Ms. Pinki Kumari as Independent Director of the Company for a period of 5 years with effect from 14<sup>th</sup> August, 2018 as set out at Item No. 5 of this Notice. The company has received the Notice as required under Section 160 of the Companies Act, 2013 from a member proposing the candidature as a Independent Director of the Company. Further, in terms of Section 149(13) of the said Act, Ms. Pinki Kumari shall not be liable to retire by rotation. Brief profile of the said Independent Director, in terms of Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 is provided after this Notice. The Board accordingly recommends the resolution at Item No. 5 of this Notice for the approval of the Members as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives other than those mentioned in the resolution and their relatives, are in any way concerned or interested, financially or otherwise, in the resolution

**BRIEF PROFILE OF DIRECTOR BEING APPOINTED or RE-APPOINTED**

<b>PARTICULARS</b>	<b>MR. SANJAY VERMA</b>	<b>MR. RAVINDER BHAN</b>	<b>MR. RANJEET VERMA KUMAR</b>	<b>MS. PINKI KUMARI</b>
DIN No	08139841	01609915	02758995	07932165
Date of Birth	01.07.1970	31.03.1961	15.12.1974	30.05.1992
Date of Appointment	30.05.2018	01.04.2005	14.08.2018	14.08.2018
Qualifications	B-Tech, MBA	Degree in Bachelor of Science	Fellow Company Secretary	M. Com
Expertise in specific functional area	Expertise in field of Power & energy transmission. He has developed and deployed solutions for several distribution utilities in India including NDPL, TATA power, Reliance, HPSEB, MESCOM, BESCO, ASEB etc.	He has expertise in the field of Sales and Marketing. He looks after Administration, HR and Finance in Sharika Enterprises	He is expert in Secretarial work and has more than 5 years of experience in this field	She is expert in Finance & Accounting work.
Directorship held in other public companies	0	0	3	0
Membership/C hairmanship of Committees of other Public Companies	0	0	4	0
Number of shares held in the Company	10,85,660	13,57,208	0	0
Disclosure of relationship between Directors inter-se	NIL	NIL	NIL	NIL

**Item No. 6-8**

In view of their capabilities and contribution made towards the growth of the Company and considering the fact that their remuneration had not been revised since a long time, the Board of Directors of the Company on the recommendation by the Nomination and Remuneration Committee, revised the remuneration of Mr. Rajinder Kaul, Mr. Ravinder Bhan, and Mr. Arun Kaul as specified in the resolutions, w.e.f. July, 2018 under the applicable provisions of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013.

However, the Company in order to comply with all the applicable provision of the Companies Act, 2013 in letter and spirit, is seeking approval of Members of the Company under Section 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013.

Our Company usually earns sufficient profit every year but some time due to uncontrollable situation there can be a fall in the profit of the Company in any financial year due to which the remuneration payable to Managerial Persons may exceed the maximum limit of remuneration to be paid to Managerial Persons given under Section 197 (1) of the Companies Act, 2013 and under Schedule V of Companies Act, 2013.

These revisions in remuneration are subject to the approval of Members of the Company by way of Special Resolutions. In the event of loss or inadequacy of profits in any financial year(s), during the currency of tenure of above mentioned Directors, the remuneration as mentioned in the resolution(s), shall be paid to them, as minimum remuneration, subject to the approvals required, if any. The revised remuneration, as aforesaid, to the Directors, is subject to the approvals by the Company in a General Meeting in accordance with the relevant provisions of the Companies Act, 2013 read with Schedule V to the said Act. The resolution(s) set out in the notice are intended for this purpose.

Mr. Rajinder Kaul, Mr. Ravinder Bhan, and Mr. Arun Kaul are interested in the resolutions set out respectively at Item Nos. 6-8 of the Notice, which pertain to their respective revision in remuneration payable to each of them. Except the above, none of the other Directors / Key Managerial Personnel of the Company /their relatives is, in any way, concerned or interested, financially or otherwise, in these resolutions. The Board recommends the special resolution(s) set forth at item nos. 6-8 of the Notice for the approval of the members.

**For SHARIKA ENTERPRISES LIMITED**

	Sd/-	Sd/-
Date: 01/09/2018	(Rajinder Kaul)	(Ravinder Bhan)
Place: Delhi	Managing Director	Wholetime Director
	DIN: 01609805	DIN: 01609915
	Add C-581 Sarita Vihar	Add: A-581, Pocket-A
	New Delhi 110044	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: 208, CHIRANJIV TOWER, 43 NEHRU PLACE, NEW DELHI - 110019**

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 20<sup>th</sup> Annual General Meeting of members of the Company to be held on Saturday, the 29<sup>th</sup> day of September, 2018 at 11 a.m. at Marigold Hall, Habitat World, Indian Habitat Center, Lodhi Road New Delhi-110003 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, 2018 and the Statement of Profit and Loss of the Company for the financial year ended 31st March, 2018 and the Reports of the Board of Directors and Auditors thereon.		
2.	To appoint a Director in place of Mr. RAVINDER BHAN (DIN 01609915), 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.		
3.	To regularize the appointment of Mr. Sanjay Verma and to approve remuneration		
4.	To regularize the appointment of Mr. Ranjeet Verma		
5.	To regularize the appointment of Ms. Pinki Kumari		
6.	To approve the remuneration payable to Mr. Rajinder Kaul		
7.	To approve the remuneration payable to Mr. Ravinder Bhan		
8.	To approve the remuneration payable to Mr. Arun Kaul		

Signed this ..... day of..... 2018

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**

**20<sup>th</sup> Annual General Meeting to be held on Saturday, the 29<sup>th</sup> day of September, 2018 at 11 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 20th Annual General Meeting of the Company to be held on Friday, the 28th day of September 2018 at 11 A.M.

\_\_\_\_\_

\_\_\_\_\_

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 20<sup>th</sup> Annual Report of your Company together with its audited financial statement for the financial year ended March 31, 2018.

## FINANCIAL RESULT:

### STANDALONE (in Rs.)

Particulars	2017-18	2016-17
Total Income	19,23,39,169.00	18,78,15,823.00
Total Expenditure	16,32,01,138.00	15,25,40,410.00
Profit/ (Loss) before Tax	2,91,38,031.00	3,52,75,413.00
Profit/ (Loss) after Tax	2,26,76,115.00	2,23,10,156.00

### CONSOLIDATED (in Rs.)

Particulars	2017-18	2016-17
Total Income	19,44,80,809.00	23,52,56,905.00
Total Expenditure	17,41,71,192.00	20,17,32,969.00
Profit/ (Loss) before Tax	2,03,09,617.00	3,35,23,936.00
Profit/ (Loss) after Tax	1,38,47,701.00	2,60,75,444.00

## FINANCIAL HIGHLIGHTS– STANDALONE:

### Income:

The Total Income for the year ended March 31, 2018 is Rs. 3,65,959.00 more than Total Income of the previous year.

### Depreciation and Finance Costs:

Depreciation for the year is higher at Rs. 61,98,461.00 which is higher by Rs. 24,89,063.00 as compared to previous year due to purchase of Assets worth Rs. 43,41,765.00 during the year. Total Finance costs for the year ended March 31, 2018 was Rs. 1,54,98,958.00 which is higher by Rs. 74,57,475.00 as compared to previous year due to higher interest on borrowing fund.

**Profit before Tax and Exceptional Items:**

Profit before Tax stood at Rs. 2,91,38,031.00 as compared to previous year Rs. 3,52,75,413.00.

**Borrowings:**

The total borrowings stood at Rs. 8,20,52,596.00 as on March 31, 2018 as against Rs. 8,65,51,934.00 as on March 31, 2017 for the standalone entity.

**Profit / (Loss) after tax:**

The Profit after Tax for the year is at Rs. 2,26,76,115.00 as compared to a profit of Rs. 2,23,10,156.00 for the previous year.

**FINANCIAL HIGHLIGHTS – CONSOLIDATED**

The consolidated income of your Company for the year ended March 31, 2018 aggregated Rs. 19,44,80,809.00 as against for the previous year Rs. 23,52,56,906.00. The consolidated turnover decreased by 17.33 %.

The consolidated profit after Tax aggregated to Rs. 1,38,47,701.00 for the year has declined when compared to the profit after Tax of Rs. 2,60,75,444.00 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, 2018. 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. 2,26,76,115.00. 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](http://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 2017-18.

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

Your Company M/s Sharika Enterprises Limited has received LOI for Solar Street Light Project worth Rs. 40.33 Crores (approx) from one of the State Government's renewable energy agency which might affect the financial position of the company between the end of the financial year to the date of signing of financial statement and directors' report.

Besides that, Mr. Rajinder Khazanchi (Independent Director) resigned after the end of relevant year on 17.05.2018, Mr. Mahesh Pandey (Company Secretary & Compliance Officer) resigned after the end of relevant year on 26.06.2018 while Mr. Ranjeet Verma and Ms. Pinki Kumari was appointed as Independent Director after the end of relevant year on 14.08.2018 which might affect the financial position of the company between the end of the financial year to the date of signing of financial statement and directors' report.

## **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 2017-18, the details of which are specified in Note No. 18 of financial statement as on 31<sup>st</sup> March 2018.

The company has neither made any investment nor given any guarantee during the financial year 2017-18.

## **CHANGE IN CAPITAL STRUCTURE AND LISTING OF SHARES**

The Initial Authorised share capital of our Company was Rs. 10.00 Lakh divided into 1,00,000 Equity Shares of Rs. 10/- each. This Authorised capital was increased to Rs. 1100.00 Lakh divided into 1,10,00,000 Equity Shares of Rs. 10/- each pursuant to a resolution passed by our Shareholders during the year 2017-18 in their extra-ordinary general meeting held on July 28, 2017.

75,00,000 Equity Shares were issued on 8<sup>th</sup> August, 2017 as Bonus issue while 32,25,000 Equity Shares in terms of Draft Prospectus were issued by a resolution of our Board of Directors dated August 22, 2017 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General Meeting of the members held on August 26, 2017.

## **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](http://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 7 (seven) Directors out of which 3 (three) are Executive Directors, 2(two) are Non-Executive Women Directors and 2 (two) 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](http://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.

## DETAILS OF REMUNERATION TO DIRECTORS

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

Sr. No.	Name	Designation	% age increase
1.	Arun Kaul	Whole-time director	41%
2.	Ravinder Bhan	Whole-time director	41%
3.	Rajinder Kaul	Managing Director	41%
5.	Vikas Pandey	CFO	52%

### Reason for increase in the remuneration of employees in the financial year:

The remuneration has been increased with reference to their expertise, their experience and their contribution in taking the Company forward.

### The number of permanent employees on the rolls of company:

There are approximately 82 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.

## AUDITOR AND AUDITOR'S REPORT:

### Statutory Auditor:

**M/s WDK & Associates**, Chartered Accountants, was appointed as Statutory Auditors of the Company at 16<sup>th</sup> Annual General Meeting of the Company to hold office for five consecutive years subject to ratification at every annual general meeting. Finding satisfactory performance

of auditor, Board on the recommendation of Audit Committee recommends ratification of the appointment of M/s WDK & Associates as Statutory Auditors.

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 Kundan Agrawal & Associates**, Company Secretaries, was appointed as Secretarial Auditor of the Company by the Board of Directors w.e.f. 30th May, 2018 for the Financial Year 2017-18.

As the Company recently got listed at BSE SME Exchange, thus Company appointed Secretarial Auditor for the first time.

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 2017-18 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, 2018 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, 2018 and of the profit and loss of the company from 1st April, 2017 to 31st March, 2018.
- 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](http://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:**

A significant material order was passed by Bombay Stock Exchange (Stock Market Regulator) declaring your Company M/s Sharika Enterprises Limited as Listed Company on 27<sup>th</sup> November, 2017. The Company made its Initial Public Offer in November 2017 and met with over whelming response wherein the public offering was oversubscribed by more than 59 times.

Besides this, Registrar of Companies passed order for change of Registered Office of Company from 404, CHIRANJIV TOWER, 43 NEHRU PLACE, NEW DELHI – 110019 to 208, CHIRANJIV TOWER, 43 NEHRU PLACE, NEW DELHI – 110019 w.e.f. 27.02.2018 upon application made by Company in this regard.

Company's status has been changed from Private Limited to Public Limited and in consequence thereof the name of the Company has changed from Sharika Enterprises Private Limited to Sharika Enterprises Limited.

There are no other 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](http://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. Ashok Kumar Kaul was appointed as Independent Director during the year on 26.08.2017.

Mr. Vikas Pandey was appointed as CFO (KMP) during the year on 22.08.2017.

However, Mr. Ranjeet Verma Kumar and Ms. Pinki Kumari were appointed as Independent Directors after the end of relevant year on 14.08.2018.

#### **Resignations**

Mr. Ravinder Bhan retired by Rotation but being eligible, offers himself for re-appointment.

Mr. Rajinder Khazanchi (Independent Director) resigned after the end of relevant year on 17.05.2018.

Mr. Mahesh Pandey (Company Secretary & Compliance Officer) resigned after the end of relevant year on 26.06.2018.

### **MEETINGS OF THE BOARD AND COMMITTEES:**

#### **Meeting of the Board**

During the year 2017-18, Eleven board meetings were held on respective date, 10<sup>th</sup> May, 2017, 3<sup>rd</sup> July, 2017, 19<sup>th</sup> July, 2017, 8<sup>th</sup> August, 2017, 22<sup>nd</sup> August, 2017, 30<sup>th</sup> August, 2017, 22<sup>nd</sup> September, 2017, 29<sup>th</sup> September, 2017, 13<sup>th</sup> October, 2017, 23<sup>rd</sup> November, 2017 and 17<sup>th</sup> February, 2018. 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	11	11
Mr. Ravinder Bhan	Whole-time Director	11	11
Mr. Arun Kaul	Whole-time Director	11	11

Ms. Mukta Mani Kaul	Non-Executive Director	11	8
Mr. ASHOK KUMAR KAUL	Independent Director	6	6
Mr. RAJINDER KHAZANCHI	Independent Director	6	6

#### **Meetings of Audit Committee:**

During the year 2017-18, One Audit Committee meeting was held on 13<sup>th</sup> October, 2017. The attendance of directors at the Audit Committee meeting is as given below:

Name of Directors	Designation	Attendance Particulars Number of Board Meetings	
		Held	Attended
Mr. RAJINDER KAUL	Member	1	1
Mr. ASHOK KUMAR KAUL	Member	1	1
Mr. RAJINDER KHAZANCHI	Chairman	1	1

#### **Meetings of Nomination & Remuneration Committee:**

During the year 2017-18, One Nomination & Remuneration Committee meeting was held on 13<sup>th</sup> October, 2017. The attendance of directors at the Nomination & Remuneration Committee meeting is as given below:

Name of Directors	Designation	Attendance Particulars Number of Board Meetings	
		Held	Attended
Mrs. MUKTA MANI KAUL	Member	1	1
Mr. ASHOK KUMAR KAUL	Chairman	1	1
Mr. RAJINDER KHAZANCHI	Member	1	1

#### **Meetings of Stakeholder Relationship Committee:**

During the year 2017-18, 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](http://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](http://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

Date: 01/09/2018  
Place: Delhi

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

Sd/-  
(Ravinder Bhan)  
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.

India has moved up 73 spots to rank 26th in the World Bank's list of electricity accessibility in 2017, according to Mr Piyush Goyal, Minister of State (Independent Charge) for Power, Coal, Renewable Energy and Mines, Government of India.

### Market Size

The Government of India's focus on attaining 'Power for all' has accelerated capacity addition in the country. At the same time, the competitive intensity is increasing at both the market and supply sides (fuel, logistics, finances, and manpower). Total installed capacity of power stations in India stood at 330,260.53 Megawatt (MW) as on May, 2017. The Ministry of Power has set a target of 1,229.4 billion units (BU) of electricity to be generated in the financial year 2017-18, which is 50 BU's higher than the target for 2016-17. The annual growth rate in renewable energy generation has been estimated to be 27 per cent and 18 per cent for conventional energy.

### The Road Ahead

The Indian power sector has an investment potential of Rs 15 trillion (US\$ 225 billion) in the next 4-5 years, thereby providing immense opportunities in power generation, distribution, transmission, and equipment, according to Union Minister Mr Piyush Goyal. The government's immediate goal is to generate two trillion units (kilowatt hours) of energy by 2019. This means doubling the current production capacity to provide 24x7 electricity for residential, industrial, commercial and agriculture use. The Government of India is taking a number of steps and initiatives like 10-year tax exemption for solar energy projects, etc., in order to achieve India's ambitious renewable energy targets of adding 175 GW of renewable energy, including addition of 100 GW of solar power, by the year 2022.

(Source- <https://www.ibef.org/industry/power-sector-india.aspx>)

## 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

### **For SHARIKA ENTERPRISES LIMITED**

Date: 01/09/2018  
Place: Delhi

**Sd/-**

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

**Sd/-**

(Ravinder Bhan)  
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	<b>Sharika Lightec Private Limited</b>
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	(1,66,38,696.00)
6.	Total assets	4,71,11,261.00
7.	Total Liabilities	3,37,49,957.00
8.	Investments	NIL
9.	Turnover	1,54,80,046.00
12.	Profit before taxation	(40,52,684.00)
13.	Provision for taxation	NIL
14.	Profit after taxation	(40,52,684.00)
15.	Proposed Dividend	NIL
16.	Percentage of shareholding	100.00%

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

<b>Name of Associates or Joint Ventures</b>	Elettromeccanica India Private Limited
<b>1. Latest audited Balance Sheet Date</b>	31/03/2018
<b>2. Date on which the Associate or Joint Venture was associated or acquired</b>	27/11/2008
<b>3. Shares of Associate or Joint Ventures held by the company on the year end</b>	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%
<b>4. Description of how there is significant influence</b>	Due to percentage of share holding (more than 20%)
<b>5. Reason why the associate/joint venture is not Consolidated</b>	-
<b>6. Networth attributable to shareholding as per latest audited Balance Sheet</b>	Rs. 5,30,997.32
<b>7. Profit or Loss for the year</b>	
i. Considered in Consolidation	-
ii. Not Considered in Consolidation	Rs. (97,22,305.00)

**For SHARIKA ENTERPRISES LIMITED**

Date: 01/09/2018

Place: Delhi

**Sd/-**

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

**Sd/-**

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

Form No. MR-3

# SECRETARIAL AUDIT REPORT

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

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule 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:

- a) 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.
- b) 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.
- c) 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 31<sup>ST</sup> March, 2018 ('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 31<sup>ST</sup> March, 2018 according to the provisions of:

**(Secretarial Audit Report for F.Y 2017-2018 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;
- (ix) Applicable Labour Laws; and
- (x) Other applicable Laws;

Having regard to the compliance system prevailing in the Company and on the basis of presentation and Reports made by Compliance Auditors and Internal 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 Audit Report for F.Y 2017-2018 for M/s Sharika Enterprises Limited)**

- 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.

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.
- 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.

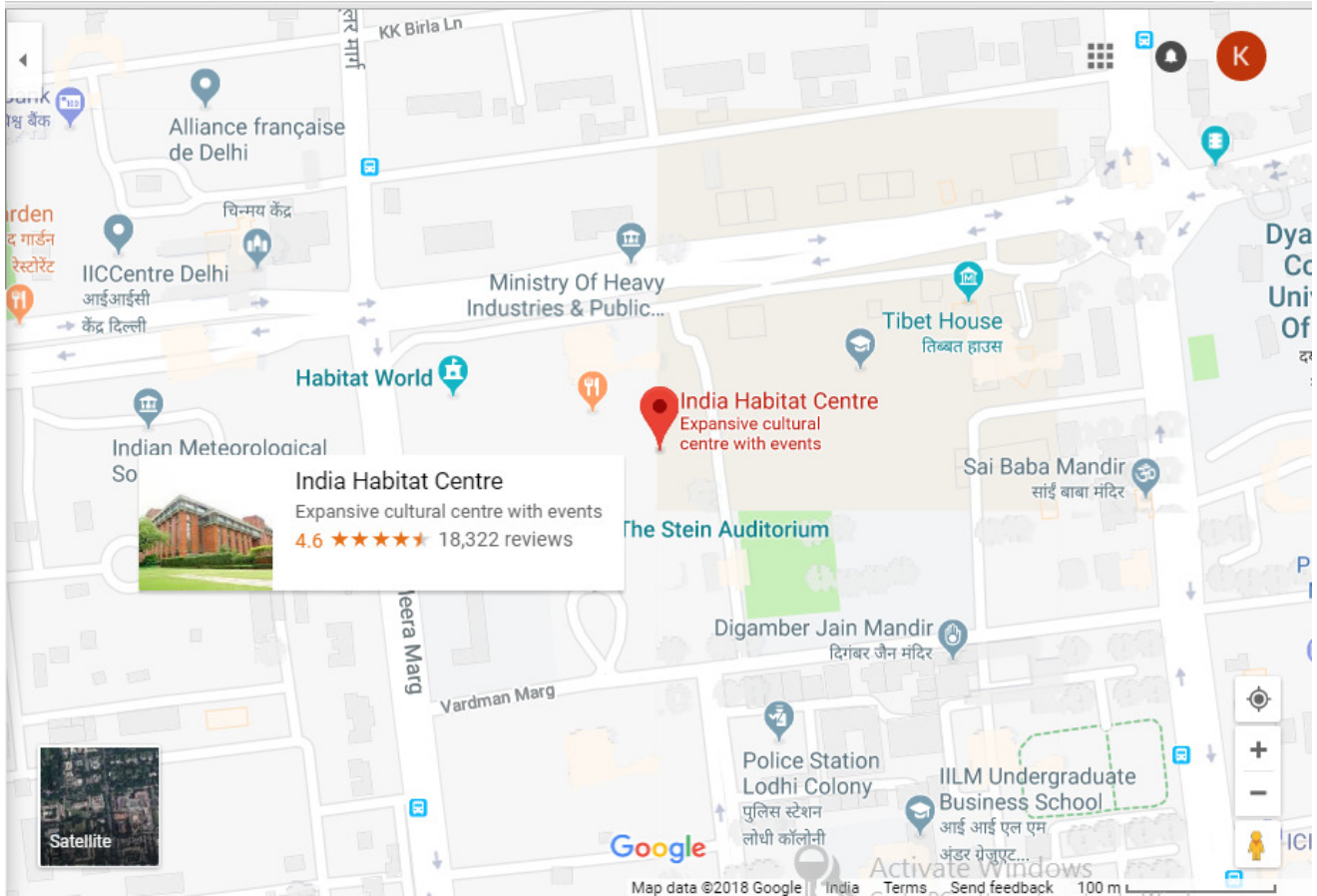
We further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For Kundan Agrawal & Associates  
Company Secretaries**

**Place: Delhi  
Date: 30/08/2018**

**Sd/-  
Kundan Agrawal  
Company Secretary  
C.P. No. 8325**

# MAP



**Independent Auditor's Report****TO THE MEMBERS OF SHARIKA ENTERPRISES LIMITED****Report on the Financial Statements**

We have audited the accompanying standalone financial statements of **SHARIKA ENTERPRISES LIMITED** ("the Company") which comprise the balance sheet as at 31<sup>st</sup> March 2018, the statement of profit and loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with Accounting Principles generally accepted in India including the accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility 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 the design, implementation and maintenance of adequate internal financial control that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2018, its Profit and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

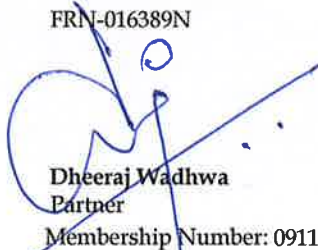
1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Sub Section (11) of the Section 143 of the Act, we give in the Annexure 1, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:





- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c. The Balance Sheet, Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014;
- e. On the basis of written representations received from the directors as on 31 March 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018, from being appointed as a director in terms of section 164 (2) of the Act;
- 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 2" to this report;
- g. With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position;
  - 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 Investors Education and Protection Fund by the Company.

For WDK & Associates  
Chartered Accountants  
FRN-016389N

  
Dheeraj Wadhwa  
Partner  
Membership Number: 091143



Place: NOIDA  
Date: 30-05-2018

## Annexure- 1 to the Auditors' Report

Annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our Independent Auditors Report of even date

- i)
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) Some of the fixed assets were physically verified by the management during the year and no material discrepancies were noticed on such verification.
  - c) According to the information and explanations to us and on the basis of our examination of the records of the company, the title deed of the immovable property is held in the name of the company.
- ii)
  - a) The Management has physically verified the inventory during the year. In our opinion, frequency of the verification is reasonable.
  - b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
  - c) The company is maintaining proper records of inventories. The discrepancies noticed on physical verification of inventories as compared to book records needs to be reconciled.
- iii)
  - a) According to the information and explanations to us, the company has granted loans to bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
  - 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 of more than rupees one lakh 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 and 186 of the Act, with respect to the loans and investments made. The loans given are to the associate company and wholly owned Subsidiary Company. However, no interest has been provided/recovered during the year. A fresh investment has been made to newly incorporated subsidiary company, M/s. Sunruf Energy Pvt. Ltd. by subscribing equity shares during the year.
- v) The Company has not accepted any deposits from the public.
- vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under section 148 (1) of the Companies Act, 2013 for the products and services of the Company.
- vii)
  - a) The Company is depositing, though with delays in few instances, with appropriate authorities undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues applicable to it.
  - b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax (except amount payable on account of late filing fees for TDS returns), sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were outstanding, at the end of the year, 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, sales tax, wealth tax, duty of customs and cess which have not been deposited with the appropriate authorities on account of any dispute. However, the Company is of the opinion that the losses on account of diminution of value of the Investments (Equity Shares held) in subsidiary company, M/s. Sharika Lightec Pvt. Ltd. and associate company, M/s. Elettromeccanica India Pvt. Ltd., has been adjusted while calculating Income Tax Payable for FY 2016-17. In the absence of any communication from the Income Tax department, the matter is still pending.



## **Annexure - B to the Auditors' Report**

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

We have audited the internal financial controls over financial reporting of SHARIKA ENTERPRISES LIMITED ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

#### **Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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

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

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

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

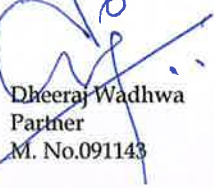
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal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



**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For WDK & Associates  
Chartered Accountants  
FRN 016389N

  
Dheeraj Wadhwa  
Partner  
M. No.091143



Place: NOIDA  
Date: 30-05-2018

- viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to a financial institution or bank taken in the form of Term Loan or Cash Credit/ Over Draft Facilities. The Company did not have any debentures but has outstanding balance of Rs. 1,95,35,670.00 Against Raw Material Assistance (RMA) Loan taken from the National Small Industries Corporation Ltd. (NSIC). The Company has regularized the account within the extended time granted under the RMA Scheme of NSIC.
- ix) According to the information and explanations given by the given by the management, the Company has raised money by way of initial public offer through issuing 32,25,000 fully paid Up Equity Share of Rs 10 each at a premium of Rs.33 . The Term Loans or Cash Credit/ Over Draft facilities taken from Bank or financial institutions were applied for the purpose they were raised.
- x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, no material fraud by the company or no fraud/material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.
- xi) According to the information and explanations given by the management and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of the clause (xii) of the order are not applicable to the company and hence not commented upon.
- xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act 2013 where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) According to the information and explanations given by the management, the Company has not entered into any non- cash transactions with directors or persons connected with him.
- xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For WDK & ASSOCIATES  
Chartered Accountants  
FRN 016389N

Dheeraj Wadhwa  
Partner M. No.091143

Place: New Delhi  
Date: 30-05-2018



# SHARIKA ENTERPRISES LIMITED

CIN-L51311DL1998PLC093690

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

## BALANCE SHEET AS AT 31ST MARCH, 2018

Particulars	Note No.	As on 31.03.2018 (in Rs.)	As on 31.03.2017 (in Rs.)
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	3	10,82,50,000	10,00,000
(b) Reserves and Surplus	4	13,15,74,267	10,06,57,883
		<b>23,98,24,267</b>	<b>10,16,57,883</b>
<b>(2) Non-Current Liabilities</b>			
(a) Long term Borrowing	5	3,65,20,768	4,25,14,756
(b) Other Non-Current Liabilities	6	1,50,000	1,50,000
		<b>3,66,70,768</b>	<b>4,26,64,756</b>
<b>(3) Current Liabilities</b>			
(a) Short-Term Borrowings	7	4,55,31,828	4,40,37,178
(b) Trade Payables	8	2,60,83,931	3,13,06,139
(c) Other Current Liabilities	9	7,74,90,780	1,80,80,743
(d) Short-Term Provisions	10	1,94,84,293	1,23,40,581
		<b>16,85,90,832</b>	<b>10,57,64,640</b>
<b>Total Equity &amp; Liabilities</b>		<b>44,50,85,867</b>	<b>25,00,87,279</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
<b>(a) Fixed Assets</b>			
Tangible Assets	11	4,89,92,458	5,08,49,154
(b) Non current Investment	12	1,39,66,023	2,27,37,654
(c) Other Non current Assets	13	6,44,55,134	2,80,68,359
(d) Deferred Tax Asset	14	11,75,100	11,42,636
		<b>12,85,88,715</b>	<b>10,27,97,803</b>
<b>(2) Current Assets</b>			
(a) Inventories	15	1,60,35,751	47,03,382
(b) Trade receivables	16	13,68,41,498	9,38,91,966
(c) Cash and Cash Equivalents	17	8,61,51,098	1,48,19,962
(d) Short-term loans and advances	18	3,31,66,145	2,49,11,922
(e) Other current assets	19	4,43,02,661	89,62,244
		<b>31,64,97,152</b>	<b>14,72,89,475</b>
<b>Total Assets</b>		<b>44,50,85,867</b>	<b>25,00,87,279</b>
<b>The accompanying Notes and Significant Accounting Policies are forming part of these Financial Statements</b>			

As per our Report of even date attached

**FOR WDK & ASSOCIATES**

Chartered Accountants

Firm Regn. No. 016389N

CA. Dheeraj Wadhwa

Partner

M.No.091143

Noida

30.05.2018

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

Rajinder Kaul

DIN 01609805

CMD

Vikas Pandey

Chief Financial Officer

Ravinder Bhan

DIN 01609915

WTD

Mahesh Kr. Pandey

Company Secretary

# SHARIKA ENTERPRISES LIMITED

CIN-L51311DL1998PLC093690

208, Chiranjiv Tower, 43, Nehru place,

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	Note No.	For the year ended 31.03.2018 (in Rs.)	For the year ended 31.03.2017 (in Rs.)
<b>Revenue</b>			
Revenue from operations	20	18,38,55,069	18,47,66,301
Other Income	21	84,84,100	30,49,522
<b>Total Revenue(I)</b>		<b>19,23,39,169</b>	<b>18,78,15,823</b>
<b>Expenses:</b>			
Cost of materials consumed	22	9,14,01,918	10,14,78,475
Changes in Inventories	23	(1,13,32,369)	(18,45,585)
Employee Benefit Expense	24	3,60,53,540	2,65,06,985
Finance Costs	25	1,54,98,958	80,41,483
Depreciation & Amortization Cost	26	61,98,461	37,09,398
Other Expense	27	2,53,80,630	1,46,49,653
<b>Total Expenses(II)</b>		<b>16,32,01,138</b>	<b>15,25,40,410</b>
<b>Profit before exceptional and extraordinary items and tax (III): (I- II)</b>		<b>2,91,38,031</b>	<b>3,52,75,413</b>
Prior Period Adjustments & Extraordinary Items (IV)		-	-
<b>Profit before tax (V): (III-IV)</b>		<b>2,91,38,031</b>	<b>3,52,75,413</b>
<b>Tax expense:</b>			
(1) Current tax		71,43,712	1,23,40,581
(2) Earlier Year Tax		(6,49,332)	13,99,895
(3) Deferred tax		(32,464)	(7,75,219)
<b>Total Tax Expense(VI)</b>		<b>64,61,916</b>	<b>1,29,65,257</b>
<b>Profit/(Loss) for the period (V-VI)</b>		<b>2,26,76,115</b>	<b>2,23,10,156</b>
Earning per equity share:			
(1) Basic/Diluted		2.09	2.23
Restated Basic/Diluted		2.09	2.94
<b>The accompanying Notes and Significant Accounting Policies are forming part of these Financial Statements</b>			

As per our Report of even date attached

FOR WDK & ASSOCIATES

Chartered Accountants

Firm Regn. No. 016389N

CA. Dheeraj Wadhwa  
Partner  
M.No.091143



For and on behalf of the board of  
SHARIKA ENTERPRISES LIMITED

Rajinder Kaul  
DIN 01609805  
CMD

Vikas Pandey  
Chief Financial Officer



Ravinder Bhan  
DIN 01609915  
WTD

Mahesh Kr. Pardey  
Company Secretary

Noida  
30.05.2018

# SHARIKA ENTERPRISES PRIVATE LIMITED

CIN-L51311DL1998PLC093690

208, Chiranjiv Tower, 43, Nehru place,

## CASH FLOW STATEMENT FOR THE YEAR FINANCIAL YEAR 2017-2018

S.No.	Particulars	As at 31st March 2018	As at 31st March 2017
A.	<b>Cash Flow from Operating Activities</b>		
	Profit Before Tax	2,91,38,031	3,52,75,413
	Depreciation/amortisation	61,98,461	37,09,398
	Interest Expenses	1,28,04,629	46,15,242
	Interest /Other Income received	37,37,784	5,41,656
	(Profit)/Loss on Sale of Fixed Asset	-	2,28,605
	<b>Operating Profit before working capital changes</b>	<b>4,44,03,337</b>	<b>4,28,29,792</b>
	Movement in working capital:		
	(Increase)/ Decrease in trade receivables	(7,93,36,307)	(6,81,94,065)
	(Increase)/Decrease in Inventories	(1,13,32,369)	(18,45,585)
	(Increase)/Decrease in Loans and Advances	(82,54,223)	(12,76,333)
	(Increase)/Decrease in other Current Assets	(3,53,40,417)	(2,75,987)
	Increase/(Decrease) in trade payables	(52,22,207)	1,39,87,981
	Increase/(Decrease) in other current liabilities	5,94,10,037	50,11,151
	Cash generated from Operations	<b>(3,52,32,150)</b>	<b>(97,63,046)</b>
	Less:Tax Paid	(2,33,928)	(58,50,404)
	<b>Net Cash from/ (used in) operating activities (A)</b>	<b>(3,54,66,078)</b>	<b>(1,56,13,450)</b>
B.	<b>Cash Flow from Investing Activities</b>		
	Investment in Bank Deposits	-	(1,07,98,779)
	Purchase of Fixed Assets	43,41,765	3,40,000
	(Purchase of Investments)/Proceeds from Sale of Investment/Withdrawal of F	87,71,631	5,41,656
	Proceeds from Interest Received	37,37,784	-
	Proceeds from Sale of Fixed Assets	-	-
	<b>Net Cash from/ (used in) Investing activities (B)</b>	<b>1,68,51,180</b>	<b>-99,17,123</b>
C.	<b>Cash Flow from Financing Activities</b>		
	Proceeds from issue of share	10,72,50,000	-
	Repayment of Long Term Borrowings	(59,93,988)	4,25,14,756
	Proceeds from Short Term Borrowings	14,94,650	-35,96,060
	Interest paid	-1,28,04,629	-46,15,242
	<b>Net Cash from/ (used in) Financing activities (C)</b>	<b>8,99,46,033</b>	<b>3,43,03,454</b>
D.	<b>Net Cash Increase/(Decrease) in cash and Cash equivalents</b>	<b>7,13,31,135</b>	<b>87,72,881</b>
	Cash & Cash Equivalent as at beginning of the year	1,48,19,962	60,47,081
	<b>Cash and Cash Equivalents as at Close of the year</b>	<b>8,61,51,098</b>	<b>1,48,19,962</b>

As per our Report of even date attached.

For WDK & Associates  
Chartered Accountants  
FRN 016389N

CA Dheeraj Wadhwa  
Partner  
Membership No: 091143



For and on behalf of the Board of  
SHARIKA ENTERPRISES LIMITED

Rajinder Kaul  
DIN 01609805  
CMD

Vikas Pandey  
Chief Financial Officer



Ravinder Bhan  
DIN 01609915  
WTD

Mahesh Kr. Pandey  
Company Secretary

Noida  
30.05.2018



# SHARIKA ENTERPRISES LIMITED

CIN-L51311DL1998PLC093690

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

### 1. Corporate Information

Sharika Enterprises Ltd. (SEL), was incorporated on 6<sup>th</sup> May 1998 to undertake activities of consultancy and marketing 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.

### 2. Significant Accounting Policies

#### a) Basis of Preparation of Financial Statements

The Financial Statements of the Company are prepared on accrual basis under the historical cost convention and are consistent with the accounting policies followed in the previous year. The Financial statements have been prepared with the Generally Accepted Accounting Principles in India to comply with the Accounting Standards specified under section 133 of the Companies Act, 2013 (the Act) read with Rule 7 of the Companies (Accounts) Rules, 2014 in conformity with accounting principles generally accepted in India. Accounting Policies, not specifically referred to, are consistent and in consonance with generally accepted accounting principles.

#### b) Use of Estimates

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




#### c) Fixed Assets

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

#### d) Depreciation/Amortisation

Fixed assets are accounted at cost less accumulated depreciation. Depreciation is provided on a pro-rata basis on Written Down Value Method (WDV) using the rates arrived based on the useful lives of assets specified in Part C of Schedule II thereto of the Companies Act, 2013 as follows:

S. No.	Useful Life in Years
1. Factory Building	Upto 30 Years
2. Plant & Machinery	Upto 15 Years
3. Furniture & Fixture	Upto 10 Years
4. Office Equipment	Upto 5Years /15 Years
5. Computer Equipment	Upto 6 Years
6. Vehicles	Upto 10Years

# SHARIKA ENTERPRISES LIMITED

CIN-L51311DL1998PLC093690

## e) Non- Current Investments

The Non current investments are taken at Cost less diminution in their value on account of accumulated losses of the Companies in which Investments are made. The provision for diminution is made if in the opinion of the Management, the decline is other than temporary.

## f) Employee Benefits

### i) Provident Fund

The contributions remitted to government administered Provident and Pension Fund on behalf of its employees in accordance with the relevant statute are charged to the Statement of Profit and Loss as and when due. The Company has no further obligations for future Provident/Pension fund benefits other than its monthly contributions.

### ii) Post Employment Benefit Plans

In the absence of any actuarial valuation done by the Management for retirement and superannuation benefits, no Provision for Gratuity payable to staff has been made during the year as required by Accounting Standard (AS)-15 "Employee Benefits" issued by the Institute of Chartered Accountants of India.

### iii) Other Employee Benefits

The short term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the period when the employee renders the services.

## g) Revenue Recognition

### Sales

As per AS-9, Revenue is primarily derived from sale of Machines and their components and accessories. The sales are net of Sales Tax and Excise. Revenue from sales is recognized at the point of dispatch when risk and reward of ownership stand transferred to the customers.

### Other Operating Income

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

### Other Income

Interest and other Income is recognized on time proportion basis.

## h) Foreign Currency Transactions

Transactions in foreign currency are recorded in Indian Rupees at the exchange rate prevailing on the date of the transactions. Exchange gains or losses on settlement, if any, are treated as income or expenditure respectively in the Statement of Profit and Loss. Liabilities in foreign currency as well as receivables in foreign currency as on the date of the Balance Sheet have been restated into Indian rupees at the rates of exchange prevailing as on the date of Balance Sheet.


# SHARIKA ENTERPRISES LIMITED

CIN-L51311DL1998PLC093690

## i) Borrowing Costs

According to AS-16, borrowing costs that are directly attributable to the acquisition of qualifying assets are to be capitalized for the period until the asset is ready for its intended use. A qualifying asset being, an asset that necessarily takes a substantial period of time to get ready for its intended use. Other borrowing costs are to be recognized as an expense in the period in which they are incurred.

## j) Taxation

Deferred tax assets are recognized only if there is reasonable certainty that they will be realized and are recognized by way of prudence in accordance with the Accounting Standard AS 22- "Accounting for taxes on Income" issued by the Institute of Chartered Accountants of India. Deferred tax assets or liabilities are established at the enacted tax rates.

Provision for Income Tax has been made in accordance with the assessable profits determined under the provisions of the Income Tax Act.

## k) Inventories

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

## l) Provisions, Contingent Liabilities & Contingent Assets Etc.

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

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

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

## m) Public Issue Expenditure

Expenditure incurred on the Public Issue of Shares of the Company is being written off out of the Security Premium Reserve created out of the premium proceeds on account of issue of Equity shares at Premium.

n) Prior Period and Extra Ordinary items and Changes in Accounting Policies, having a material bearing on the financial affairs of the Company are disclosed separately.


# SHARIKA ENTERPRISES LIMITED

CIN-L51311DL1998PLC093690

**Note: 3 Share Capital**

Particulars	As on 31.03.2018 (in Rs.)	As on 31.03.2017 (in Rs.)
<b>AUTHORIZED CAPITAL</b>		
11000000 (previous year 100000) Equity Shares of Rs. 10/- each.	11,00,00,000	10,00,000
	11,00,00,000	10,00,000
<b>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</b>		
10825000 (previous year 100000) Equity Shares of Rs. 10/- each, fully paid-up against cash	10,82,50,000	10,00,000
*No share is being partially paid up		
<b>Total</b>	<b>10,82,50,000</b>	<b>10,00,000</b>

**A. Details of Shares held by each Shareholders Holding more than 5% Shares:**

Shareholders' Name	No. of Shares Held	Percentage
Rajinder Kaul	19,76,000	18.25%
Ravinder Bhan	13,57,208	12.54%
Arun Kaul	13,57,132	12.54%
Sanjay Verma	10,85,660	10.03%
Vikas Pandey	5,42,868	5.01%
Meghana Zutshi Kaul	5,42,868	5.01%
Other in aggregate	39,63,264	36.62%

**B. Reconciliation of the Number of Shares and amount outstanding at the beginning and at the end of the reporting period**

Particulars		
Equity share outstanding at the beginning of the Year	100000 (Rs.1000000)	100000 (Rs.1000000)
Bonus Equity Share Issued during the Year	7500000 (Rs.75000000)	
Fresh Equity Share Issued during the Year	3225000 (Rs.32250000)	
Equity share outstanding at the end of the Year	10825000 (Rs.108250000)	100000 (Rs.1000000)

**C. Aggregate number of bonus shares issue during 5 years immediately preceding 31st March, 2018**

Particulars		
Number of shares issued	75,00,000	Nil
Par value of share	10 each	Nil
Ratio	75:1	Nil




**D. Terms/rights attached to equity shares**

E. No share is being held in the company by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company.

F. No share is being reserved for issue under options and contracts/commitments for the sale of shares/disinvestment.

G. The Company has issued Fresh Equity shares during the year ended 31st March, 2018 as follows

Particulars		
Number of shares issued	32,25,000	Nil
Issued Value including Premium of Rs.33 each. (Par value of which is 10/- each)	43	Nil
Proceeds from Issue	13,86,75,000	Nil

# SHARIKA ENTERPRISES LIMITED

CIN-L51311DL1998PLC093690

**Note : 4 Reserve & Surplus**

<b>General Reserve</b>		
Balance at the beginning of the year	10,00,000	10,00,000
Transferred from Surplus in Statement of Profit & Loss	-	-
Balance at the end of the year	10,00,000	10,00,000
<b>Security Premium Reserve</b>		
Balance at the beginning of the year	-	-
Premium proceed against issue of Equity Shares	10,64,25,000	-
Less: Written off IPO Expenses as per section 52 of Company Act, 2013	1,43,62,099	-
Balance at the end of the year	9,20,62,901	-
<b>Balance in statement in Profit &amp; Loss</b>		
Balance brought forward from previous year	9,96,57,883	11,60,70,888
Add: Profit for the Year as per Statement of Profit & Loss	2,26,76,115	2,23,10,156
Less: Adjustment on account of Current Year Losses of Sharika Lightec Pvt Ltd	47,63,929	1,25,86,014
Less: Adjustment on account of Current Year Losses of Electromeccanica India Pvt Ltd	40,52,684	2,61,37,147
Less: Adjustment on account of Current Year Losses of Sunruf Energy Pvt Ltd	6,018	-
Less: Bonus shares issued during the year	7,50,00,000	-
	3,85,11,366	9,96,57,883
<b>Total</b>	<b>13,15,74,267</b>	<b>10,06,57,883</b>

**Note : 5 Long Term Borrowings**

HDFC Vehicle loans	57,11,765	66,21,875
India Bulls Commercial Credit Ltd.	3,08,09,003	3,49,45,884
India Bulls Housing Finance Limited	-	9,46,997
<b>Total</b>	<b>3,65,20,768</b>	<b>4,25,14,756</b>

**Balances of Term Loans include :**

**HDFC Vehicle Loan :-**

Term Loan of Rs. 63 lacs is secured against 3 vehicles acquired out of such finance and is repayable in 84 Months by monthly installments of Rs.

Term Loan of Rs. 12.50 lacs is secured against one vehicle acquired out of such finance and is repayable in 60 Months by monthly installments of Rs. 26,258. Applicable Rate of Interest is 13%. The installments were to commence from March 2017 and last installment is due in February 2022.

**India Bulls Commercial Credit Limited. :-**

Total Term Loan of 361 lacs is secured by Collatral Security of Companys' Land & Building at B-124, Sector 67, Noida is repayable in 180 monthly instalments. Applicable Rate of Interest is 12.50%. The installments commenced from November 2016 and last installment is due in February 2032.

**Note : 6 Other Non-Current Liabilities**

Security for Rent- Sharika Lightec Pvt. Ltd. (Subsidiary Company)	50,000	50,000
Other Security Deposits	1,00,000	1,00,000
<b>Total</b>	<b>1,50,000</b>	<b>1,50,000</b>





## SHARIKA ENTERPRISES LIMITED

CIN-L51311DL1998PLC093690

### **Note : 7 Short Term Borrowings**

<b>Secured</b>		
Cash Credit with J & K Bank (Secured against Director's Personal Property )	2,16,06,627	2,29,16,147
Short term loan from NSIC Ltd. (Secured against J & K Bank Guarantee)	1,95,35,670	1,39,21,574
<b>Unsecured</b>		
From Directors	43,89,531	71,99,457
<b>Total</b>	<b>4,55,31,828</b>	<b>4,40,37,178</b>

The Bank Facilities from J&K Bank (Cash Credit) are secured by hypothecation of Company's entire stocks and receivables.

#### **Unsecured Loans:**

The amount taken as unsecured loans from Directors are usually payable on demand but the company reserves its right to defer the payment of the same for a period exceeding 12 months. The amount has been repaid partially during the year. However, no provision for interest on the amount payable has been made in the absence of any defined terms.

### **Note : 8 Trade Payables**

Trade Payable	2,60,83,931	3,13,06,139
<b>Total</b>	<b>2,60,83,931</b>	<b>3,13,06,139</b>

### **Note : 9 Other Current Liabilities**

<b>Statutory Liabilities</b>		
Duties and Taxes	58,75,956	60,50,692
EPF Payable	7,29,361	9,31,542
ESIC Payable	1,22,949	40,924
<b>Others Liabilities:</b>		
Current Maturities of Long Term Loans	61,76,031	23,31,071
Advances from Customers	51,20,975	52,54,138
Non Trade Payable	-	1,11,390
Other Expenses payable	-	3,42,888
Employee Banefits Payable	34,43,196	30,18,098
Current Account OD against FD Maturing within 12 Months (Secured against Companies FDRs)	5,60,22,312	-
<b>Total</b>	<b>7,74,90,780</b>	<b>1,80,80,743</b>

### **Note : 10 Short Term Provisions**

Provision for Income Tax for A.Y 2017-18	1,23,40,581	1,23,40,581
Provision for Income Tax for A.Y 2018-19	71,43,712	-
<b>Total</b>	<b>1,94,84,293</b>	<b>1,23,40,581</b>





CIN-L51311DL1998PLC093690

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

Note 11: Fixed Assets

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	AS ON 31.03.2017	Addition	TRANSFER	AS ON 31.03.2018	AS ON 31.03.2017	FOR THE YEAR	Sale/Adjust ments	AS ON 31.03.2018	AS ON 31.03.2018	AS ON 31.03.2017	
<b>Tangible Assets</b>											
Land	1,83,81,155	-	-	1,83,81,155	-	-	-	-	1,83,81,155	1,83,81,155	
Building(Jammu & Noida)	2,97,19,700	30,12,500	-	3,27,32,200	1,27,46,856	17,79,390	-	1,45,26,246	1,82,05,954	1,69,72,844	
Plant & Machinery	69,34,916	72,685	-	70,07,601	27,54,255	6,74,913	-	34,29,169	35,78,433	41,80,661	
Office Equipment	19,10,116	2,12,468	-	21,22,584	17,06,902	1,13,759	-	18,20,661	3,01,923	2,03,214	
Computers	57,03,573	8,30,784	-	65,34,357	49,04,722	4,06,436	-	53,11,158	12,23,199	7,98,851	
Furniture and Fixtures	37,19,090	2,13,328	-	39,32,418	29,56,348	2,41,100	-	31,97,448	7,34,969	7,62,742	
Vehicles	1,44,85,433	-	-	1,44,85,433	49,35,745	29,82,862	-	79,18,608	65,66,825	95,49,688	
<b>Total</b>	<b>8,08,53,983</b>	<b>43,41,765</b>	<b>-</b>	<b>8,51,95,747</b>	<b>3,00,04,828</b>	<b>61,98,461</b>	<b>-</b>	<b>3,62,03,289</b>	<b>4,89,92,458</b>	<b>5,08,49,154</b>	
Previous Year	<b>7,17,43,180</b>	<b>1,07,98,779</b>	<b>16,87,976</b>	<b>8,08,53,983</b>	<b>2,78,72,011</b>	<b>37,09,398</b>	<b>15,76,581</b>	<b>3,00,04,828</b>	<b>5,08,49,154</b>	<b>4,38,71,168</b>	

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




# SHARIKA ENTERPRISES LIMITED

CIN-L51311DL1998PLC093690

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

### Note : 12 Non Current Investments

Particulars	As on 31.03.2018 (in Rs.)	As on 31.03.2017 (in Rs.)
<b>Long Term Investment</b>		
<b>Equity Shares - Elettromeccanica India Pvt Ltd (Associate)</b>	53,23,678	3,14,60,825
Less: Adjustment on account of Accumulated Losses of Elettromeccanica India Pvt Ltd	47,63,929	2,61,37,147
	5,59,749	53,23,678
<b>Equity Shares - Sharika Lightec Pvt .Ltd. (Subsidiary)</b>	1,74,13,976	2,99,99,990
Less: Adjustment on account of Accumulated Losses of Sharika Lightec Pvt Ltd	40,52,684	1,25,86,014
	1,33,61,292	1,74,13,976
<b>Equity Shares - Sunruf Energy Pvt. Ltd. (Subsidiary)</b>	51,000	-
Less: Adjustment on account of Accumulated Losses of Sunruf Energy Pvt. Ltd.	6,018	-
	44,982	-
<b>Total</b>	<b>1,39,66,023</b>	<b>2,27,37,654</b>

### Note : 13 Other Non Current Assets

Non Current Assets- Retention Money against BG etc.	6,44,55,134	2,80,68,359
<b>Total</b>	<b>6,44,55,134</b>	<b>2,80,68,359</b>

### Note : 14 Deferred Taxes Assets

<b>Deferred tax assets</b>		
Deferred tax assets	11,75,100	11,42,636
<b>Total</b>	<b>11,75,100</b>	<b>11,42,636</b>

As per Accounting Standard -22 on Accounting for Taxes on Income issued by the Institute of Chartered Accountants of India the provision for Deferred Tax Assets as at 31-3-2018 are Rs.11,75,100/-. Since, provision for Deferred Tax Assets of Rs. 11,42,636 was made upto 31/3/2017, therefore, Rs 32,364/- have been written back in the current year Statement of Profit & Loss Account.

### Note : 15 Inventories

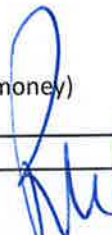


Finished Goods	1,60,35,751	47,03,382
<b>Total</b>	<b>1,60,35,751</b>	<b>47,03,382</b>

### Note : 16 Trade Receivables

<b>Unsecured, Considered Good :</b>		
Outstanding for more than six month	3,01,52,177	1,07,78,713
Others	10,66,89,321	8,31,13,253
<b>Total</b>	<b>13,68,41,498</b>	<b>9,38,91,966</b>

### Note : 17 Cash & Cash Equivalent

<b>Cash &amp; Cash Equivalent</b>		
Cash-in-Hand	75,154	6,02,430
<b>Sub Total (A)</b>	<b>75,154</b>	<b>6,02,430</b>
<b>Balance with Banks</b>		
In Current Accounts	1,13,80,611	14,77,442
In Deposit Accounts (eg. margin money)	7,46,95,332	1,27,40,090
<b>Sub Total (B)</b>	<b>8,60,75,944</b>	<b>1,42,17,532</b>
<b>Total [ A + B ]</b>	<b>8,61,51,098</b>	<b>1,48,19,962</b>



# SHARIKA ENTERPRISES LIMITED

CIN-L51311DL1998PLC093690

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

### Note :18 Short Term Loans and Advances

<i>Advance Recoverable in cash or in kind or for value to be considered good</i>		
<b>a) Unsecured, Considered Good :</b>		
Related Parties	1,37,60,913	1,33,47,079
Advance to Suppliers	1,07,93,544	75,42,322
Loans & Advances to Staff	62,52,060	34,62,554
Other Loans & Advances	23,59,628	5,59,967
<b>Total</b>	<b>3,31,66,145</b>	<b>2,49,11,922</b>

### Note : 19 Other Current Assets

<b>a) Unsecured, Considered Good :</b>		
<b>Balance With Revenue Authorities</b>		
TDS/Advance Tax (Earlier Years)	25,93,843	10,89,329
TDS/Advance Tax (Current Year)	12,53,851	15,04,514
Recoverable Duties & Taxes from Govt.	33,00,641	29,06,789
<b>c) AFS:-</b>		
Other Loans & Advances	3,18,13,000	-
Security Deposit	8,99,586	8,55,102
Earnest Money Deposits	44,41,740	26,06,510
<b>Total</b>	<b>4,43,02,661</b>	<b>89,62,244</b>


# SHARIKA ENTERPRISES LIMITED

CIN-L51311DL1998PLC093690

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

### Note : 20 Revenue from Operations

Particulars	For the year	For the year
	ended	ended
	31.03.2018	31.03.2017
	(in Rs.)	(in Rs.)
Sales of Product	10,25,16,347	13,93,37,099
Sale of Service	8,13,38,722	4,54,29,202
<b>Total</b>	<b>18,38,55,069</b>	<b>18,47,66,301</b>

### Note : 21 Other Income

Expenses recovered from the client	-	16,12,374
Interest on Fixed Deposits Receipts	37,37,784	5,41,656
Rent Income	2,70,000	2,70,000
Exchange Fluctuation	63,708	-
Miscellaneous Income	44,12,608	3,96,887
Profit on sale of Vehicle	-	2,28,605
<b>Total</b>	<b>84,84,100</b>	<b>30,49,522</b>

### Note : 22 Cost of materials consumed




Purchases & Consumables	8,19,28,748	8,93,51,150
Consumables	27,86,538	21,07,953
Customs Duty	3,58,681	31,71,425
Clearing & forwarding	1,91,978	6,87,941
Freight & Cartage Inward	3,11,150	1,54,252
EPC & Site Project Expenses	51,59,568	52,32,532
Factory Power & Fuel	-	4,00,298
Factory Rent	1,86,410	1,18,680
Factory Maintenance	4,78,845	2,54,245
<b>Total</b>	<b>9,14,01,918</b>	<b>10,14,78,475</b>

### Note : 23 Change in Inventories

<b>Opening Stock:-</b>		
Finished Goods	47,03,382	28,57,797
	<b>47,03,382</b>	<b>28,57,797</b>
<b>Less:- Closing Stock</b>		
Finished Goods	1,60,35,751	47,03,382
	<b>1,60,35,751</b>	<b>47,03,382</b>
<b>Total</b>	<b>(1,13,32,369)</b>	<b>(18,45,585)</b>

### Note : 24 Employee Benefit Expenses

Salaries, Wages, Bonus and Other Benefits	2,52,67,343	1,87,93,479
Employees Provident Fund	12,41,584	9,74,286
Employees State Insurance	2,73,413	1,40,270
Directors' Remuneration	84,60,000	60,00,000
Staff Welfare	8,11,201	5,98,950
<b>Total</b>	<b>3,60,53,540</b>	<b>2,65,06,985</b>

**Notes Forming Part of the Balance Sheet and Statement of Profit & Loss****SHARIKA ENTERPRISES LIMITED**

CIN-L51311DL1998PLC093690

**Note :25 Finance Cost**

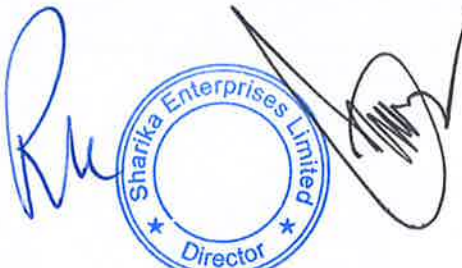

Bank Charges	13,18,977	19,84,759
Interest on Borrowings	1,20,39,426	45,74,886
Interest on vehicle loan	7,65,203	40,356
Loan Processing Charges	6,47,850	1,44,538
Other Finance Costs	7,27,502	12,96,944
<b>Total</b>	<b>1,54,98,958</b>	<b>80,41,483</b>

**Note : 26 Depreciation & Amortisation Expenses**

Depreciation	61,98,461	37,09,398
<b>Total</b>	<b>61,98,461</b>	<b>37,09,398</b>

**Note : 27 Other Expenses**

Auditors' Remuneration	3,61,800	3,73,750
Business Promotion	15,94,143	10,54,396
Bad Debts	3,31,357	-
Carriage Outward	1,19,956	41,350
Conveyance	7,42,141	5,83,027
Diwali Expense	3,85,725	76,192
Donation	26,200	5,000
Electricity & Water Expenses	11,64,095	10,82,287
Entry Tax	4,46,689	-
Freight Outward	11,81,162	4,65,008
Insurance Expenses	10,30,395	2,12,094
Legal & Professional Fees	29,72,784	19,32,676
Office Expenses	3,46,394	1,96,096
Office Rent	18,04,832	7,67,668
Postage & Courier	1,26,368	1,24,717
Printing & Stationery	3,34,165	2,97,389
Rates & Taxes	69,406	1,975
Repair & Maintenance- Office	1,14,820	2,43,112
Repair & Maintenance- Office Equipments	91,284	-
Repair & Maintenance- Vehicle	1,67,143	1,28,348
SECI Commision Charges	10,85,824	-
Sales Tax Demand	64,122	94,636
Staff Training & Recruitment	16,65,867	17,250
Subscription, Registration & other Fees	-	1,19,292
Telephone & Internet Expense	13,60,574	14,15,168
Tender Fees	-	2,03,247
Tour & Travel Expenses	57,41,771	34,49,246
Vehicle running expenses	19,61,704	16,12,549
Miscellaneous Expenses	89,910	1,39,282
Exchange Fluctuation	-	13,899
<b>Total</b>	<b>2,53,80,630</b>	<b>1,46,49,653</b>

# SHARIKA ENTERPRISES LIMITED

CIN-L51311DL1998PLC093690

## 28. Contingent Liabilities and Commitments

- a) Contingent liabilities: Nil. (Nil)
- b) Estimated cost of contracts remaining to be executed on capital account and not provided for Nil (previous year Rs. Nil).
- c) Others: Defaults on account of Short deduction & Deposition of TDS and/or delay in filing of TDS returns has been provided for on the basis of Notices received till the Audit Date. However, the final settlements are pending.

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

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

## 30. Related Party Disclosure:

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

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




- a. Elettromeccanica India Pvt. Ltd. (EIPL) - JV of SEL holding 49% Equity Shares.
- b. Sharika Lightec Pvt. Ltd. (SLPL)- Wholly Owned Subsidiary of SEL.
- c. Sunruf Energy Pvt. Ltd.-Subsidiary Company of SEL holding 51% Equity Shares.

### ii) Key Management Personnel of the Company.

- a. Shri Rajinder Kaul
- b. Shri Ravinder Bhan
- c. Shri Arun Kaul
- d. Shri Sanjay Verma
- e. Shri Mahesh Pandey
- f. Shri Vikas Pandey

### iii) Relative of the Key Management Personnel

- a. Ms. Mukta Mani Kaul - Wife of Mr. Rajinder Kaul (Director)
- b. Mr. Chuni Lal Kaul- Relative of Mr. Rajinder Kaul (Director)
- c. Mr. MK Koul- Father of Mr. Arun Kaul (Director)
- d. Ms. Shefali Bali Bhan- Wife of Mr. Ravinder Bhan (Director)
- e. Ms. Sukhwinder Kaur Verma-Wife of Mr. Sanjay Verma

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

Nature of Transaction	Related party where common control exists SLPL	Related Party Where Common Control Exists – EIPL
Fixed Assets Purchases	1,21,20,285.00	641500
Material Purchases		
Finished Goods Purchased	Nil	Nil
Sales		
Sales of fixed assets		
Clearing & Forwarding		
Share Application Money recd.		Nil
Rent & Lease charges	2,70,000.00	
Rent (Income)	Nil	
Remuneration		
Interest Paid		
Dividend Paid		
Reimbursement of Expenses		
<b>Balance outstanding at the year end</b>	<b>97,53,430.00</b>	<b>34,000.00</b>
Amount Payable	14,64,750.00	Nil
Amount Receivable		

## SHARIKA ENTERPRISES LIMITED

CIN-L51311DL1998PLC093690

Nature of Transaction	Key Management Personnel	Relative of the Key Management Personnel
Fixed Assets Purchases		
Material Purchases		
Finished Goods Purchased		
Sales		
Sales of fixed assets		
Clearing & Forwarding		
Share Application Money recd.		
Rent & Lease charges	3,85,000.00	2,20,310.00
Rent (Income)	84,60,000.00	2,70,000.00
Remuneration/Other Payment		
Interest Paid		
Dividend Paid		
Reimbursement of Expenses		
<b>Balance outstanding at the year end</b>	<b>11,52,120.00</b>	<b>NIL</b>
Amount Payable	50,000.00	Nil
Amount Receivable		

(Value In Rupees)			
31. Auditors Remunerations	Particulars	As at 31st March 2018 (Rs.)	As at 31st March 2017 (Rs.)
	As Auditors	2,00,000.00	2,00,000.00
	For Taxation Matters	1,00,000.00	1,00,000.00
	For Other Matters	61,800.00	73,750.00
	<b>Total</b>	<b>3,61,800.00</b>	<b>3,73,750.00</b>





32. Transactions in Foreign Currency	(Value In Rupees)		
	Particulars	Import	Export
	Import	3,92,873.00	-
	Export	-	11,78,710.00
	Other Expenses	22,27,310.00	
	<b>Total</b>	<b>26,20,183.00</b>	<b>11,78,710.00</b>

33. All amounts in the financial statements are presented in Rupees except Share Data.

34. Previous years' figures have been regrouped, rearranged and reclassified wherever necessary to correspond with the current years' classification and disclosure.

For WDK & ASSOCIATES  
Chartered Accountants  
FRN 01689N

(Dheeraj Wadhwa)  
Partner  
M No. 91143



*[Handwritten Signature]*



Noida  
30.05.2018

**Independent Auditor's Report****TO THE MEMBERS OF SHARIKA ENTERPRISES LIMITED****Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of **SHARIKA ENTERPRISES LIMITED** (hereinafter referred to as 'the Parent Company') and its subsidiaries (the Parent and subsidiaries jointly referred to as 'the Group'), its jointly controlled entities incorporated in India which comprise the consolidated Balance Sheet as at **31<sup>st</sup> March 2018**, the consolidated Statement of Profit and Loss, consolidated Cash Flow Statement, for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "Consolidated Financial Statements").

**Management's Responsibility for the Financial Statements**

The Parent Company's Board of Directors is responsible for preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the group including its jointly controlled entities in accordance with Accounting Principles generally accepted in India including the accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the group and its jointly controlled companies and associate company are responsible for 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 the design, implementation and maintenance of adequate internal financial control that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of consolidated financial statements by the Directors of the Parent Company, as aforesaid.

**Auditor's Responsibility**

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

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Parent Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Parent Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us, other than the unaudited financial statements as certified by the Management, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at **31<sup>st</sup> March 2018**, and their consolidated Profit and their consolidated cash flows and for the year ended on that date.



## Other Matters

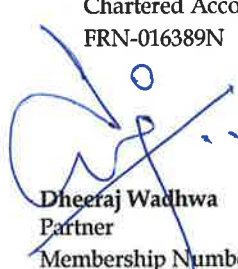
We audited the financial statements of both subsidiary and jointly controlled entities included in these consolidated financial statements.

## Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the Consolidated Financial Statements;
- b. In our opinion proper books of account as required by law have been kept by the Parent Company and its subsidiary and jointly controlled entities including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as appears from our examination of those books and records of the Parent Company;
- c. The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained by the Parent Company, its subsidiaries included in the group and the jointly controlled entities incorporated in India including relevant records prepared for the purpose of preparation of these Consolidated Financial Statements;
- d. In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Account) Rules 2014.
- e. On the basis of written representations received from the directors of the Parent Company as on 31 March 2018, and taken on record by the Board of Directors of the Parent Company, and the statutory audit reports of its subsidiary and jointly controlled entities incorporated in India, none of the directors of the Group Companies and the jointly controlled entities in India is disqualified as on 31 March 2018, 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 Group Company, its subsidiary and the jointly controlled entities incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1" to this report;
- g. With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Group Company its subsidiary and the jointly controlled entities incorporated in India do not have any pending litigations which would impact its financial position;
  - ii. The Group Company its subsidiary and the jointly controlled entities incorporated in India 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 Investors Education and Protection Fund by the Group Company or its subsidiary and the jointly controlled entities incorporated in India.

For WDK & Associates  
Chartered Accountants  
FRN-016389N

  
Dheeraj Wadhwa  
Partner  
Membership Number: 091143



Place: NOIDA  
Date: 30-05-2018



## Annexure - 1 to the Auditors' 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")

In conjunction with our Audit of the Consolidated Financial Statements of the Company as of and for the year ended 31st March 2018, we have audited the internal financial controls over financial reporting of SHARIKA ENTERPRISES LIMITED (hereinafter referred to as 'the Parent Company') and its subsidiaries (the Parent and subsidiaries jointly referred to as 'the Group'), its jointly controlled entities incorporated in India as of that date.

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

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

#### Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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

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

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




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

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

### **Opinion**

In our opinion, the Group Company, its subsidiaries and the jointly controlled entities, which are incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For WDK & Associates  
Chartered Accountants  
FRN 016389N

  
Dhendraj Wadhwa  
Partner  
M. No.091143



Place: NOIDA  
Date: 30-05-2018

# SHARIKA ENTERPRISES LIMITED

CIN-U51311DL1998PTC093690

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

## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018

Particulars	Note No.	As on 31.03.2018 (in Rs.)	As on 31.03.2017 (in Rs.)
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	3	10,82,50,000	10,00,000
(b) Reserves and Surplus	4	13,15,22,199	10,20,11,728
		<b>23,97,72,199</b>	<b>10,30,11,728</b>
(c) Minority Interest		20,805	
<b>(2) Non-Current Liabilities</b>			
(a) Long term Borrowing	5	4,68,80,386	5,02,06,384
		<b>4,69,01,191</b>	<b>5,02,06,384</b>
<b>(3) Current Liabilities</b>			
(a) Short-Term Borrowings	6	5,53,07,714	5,42,43,592
(b) Trade Payables	7	5,26,31,398	7,13,42,521
(c) Other Current Liabilities	8	7,82,94,124	2,17,04,805
(d) Short-Term Provisions	9	1,96,46,576	1,24,13,818
		<b>20,58,79,812</b>	<b>15,97,04,736</b>
<b>Total Equity &amp; Liabilities</b>		<b>49,25,53,202</b>	<b>31,29,22,848</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
<b>(a) Fixed Assets</b>			
(i) Tangible Assets	11	6,34,10,913	6,95,14,345
(ii) Intangible Assets		13,33,036	13,33,036
(c) Other Non current Assets	12	6,62,82,138	2,97,84,086
(d) Deferred Tax Asset	13	67,57,211	67,24,747
		<b>13,77,83,298</b>	<b>10,73,56,214</b>
<b>(2) Current Assets</b>			
(a) Inventories	14	4,17,39,819	4,17,89,374
(b) Trade receivables	15	15,47,40,234	11,37,50,144
(c) Cash and Cash Equivalents	16	8,95,10,210	2,09,67,671
(d) Short-term loans and advances	17	2,34,29,634	1,72,51,079
(e) Other current assets	18	4,53,50,006	1,18,08,366
		<b>35,47,69,904</b>	<b>20,55,66,634</b>
<b>Total Assets</b>		<b>49,25,53,202</b>	<b>31,29,22,848</b>
<b>The accompanying Notes and Significant Accounting Policies are forming part of these Financial Statements</b>			

**As per our Report of even date attached**

**FOR WDK & ASSOCIATES**

**Chartered Accountants**

**Firm Regn. No. 0163891**

**CA. Dheeraj Wadhwa**

**Partner**

**M.No.091143**

**Noida**

**30.05.2018**

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

**Rajinder Kaul**

**DIN 01609805**

**CMD**

**Vikas Pandey**

**Chief Financial Officer**

**Ravinder Bhan**

**DIN 01609915**

**WTD**

**Mahesh Kr. Pandey**

**Company Secretary**

# SHARIKA ENTERPRISES LIMITED

CIN-U51311DL1998PTC093690

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

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	Note No.	For the year ended 31.03.2018 (in Rs.)	For the year ended 31.03.2017 (in Rs.)
<b>Revenue</b>			
Revenue from operations	19	18,69,51,805	23,13,48,238
Other Income	20	75,29,005	39,08,667
<b>Total Revenue(I)</b>		<b>19,44,80,810</b>	<b>23,52,56,905</b>
<b>Expenses:</b>			
Cost of materials consumed	21	9,09,96,644	13,09,87,047
Purchases of Stock-in-Trade	22	(70,52,189)	(38,57,572)
Changes in Inventories	23	3,81,51,789	3,44,68,553
Employee Benefit Expense	24	1,74,71,678	1,08,79,365
Finance Costs	25	91,66,020	73,42,003
Depreciation & Amortization expenses	26	2,54,37,251	2,19,13,572
Other Expense			
<b>Total Expenses(II)</b>		<b>17,41,71,193</b>	<b>20,17,32,969</b>
<b>Profit before exceptional and extraordinary items and tax (III): (I- II)</b>		<b>2,03,09,617</b>	<b>3,35,23,936</b>
Prior Period Adjustments & Extraordinary Items (IV)		-	-
<b>Profit before tax (V): (III-IV)</b>		<b>2,03,09,617</b>	<b>3,35,23,936</b>
<b>Tax expense:</b>			
(1) Current tax		71,43,712	1,23,98,192
(2) Earlier Year Tax		(6,49,332)	13,99,895
(3) Deferred tax		(32,464)	(63,49,595)
<b>Total Tax Expense(VI)</b>		<b>64,61,916</b>	<b>74,48,492</b>
<b>Profit/(Loss) for the period (V-VI)</b>		<b>1,38,47,701</b>	<b>2,60,75,444</b>
Earning per equity share:			
(1) Basic/Diluted		1.28	260.75
(2) Restated Basic/Diluted		1.28	3.43
<b>The accompanying Notes and Significant Accounting Policies are forming part of these Financial Statements</b>			

As per our Report of even date attached

FOR WDK & ASSOCIATES

Chartered Accountants

Firm Regn. No. 016389N

CA. Dheeraj Wadhwa

Partner

M.No.091143

Noida

30.05.2018

For and on behalf of the board of  
SHARIKA ENTERPRISES LIMITED

Rajinder Kaul

DIN 01609805

CMD

Vikas Pandey

Chief Financial Officer

Ravinder Bhan

DIN 01609915

WTD

Mahesh Kr. Pandey

Company Secretary

# SHARIKA ENTERPRISES LIMITED

CIN-U51311DL1998PTC093690

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

## CASH FLOW STATEMENT FOR THE YEAR FINANCIAL YEAR 2017-2018

S.No.	Particulars	As at 31st March 2018	As at 31st March 2017
A.	<b>Cash Flow from Operating Activities</b>		
	Profit Before Tax	2,03,09,617	3,35,23,936
	Depreciation	91,12,161	73,42,003
	Amortisation	53,859	
	Interest Expenses	1,28,04,629	68,32,867
	Change in provision over than tax provision	89,046	
	Interest /Other Income received	(40,33,799)	(7,08,470)
	Loss on a/c of Investment in Subsidiaries and Associates	87,71,631	-
	(Profit)/Loss on Sale of Fixed Asset	-	(2,28,605)
	<b>Operating Profit before working capital changes</b>	<b>4,71,07,145</b>	<b>4,67,61,731</b>
	Movement in working capital:		
	(Increase)/Decrease in Inventories	49,555	(73,82,098)
	(Increase)/ Decrease in trade receivables	(4,09,90,090)	(6,37,27,326)
	(Increase)/Decrease in Loans and Advances	(61,78,555)	(64,19,518)
	(Increase)/Decrease in other Current Assets	(3,32,66,440)	8,13,147
	(Increase)/Decrease in Non Current Assets	(3,63,86,775)	-
	Increase/(Decrease) in trade payables	(1,87,11,123)	1,59,00,698
	Increase/(Decrease) in other current liabilities	5,65,89,319	61,90,043
	<b>Cash generated from Operations</b>	<b>(3,17,86,964)</b>	<b>(78,63,323)</b>
	Less:Tax Paid	(2,29,554)	(58,69,430)
	<b>Net Cash from/ (used in) operating activities (A)</b>	<b>(3,20,16,519)</b>	<b>(1,37,32,753)</b>
B.	<b>Cash Flow from Investing Activities</b>		
	Investment in Bank Deposits	-	-
	Purchase of Fixed Assets	43,41,765	(1,09,00,573)
	Proceeds from Sale of Fixed Assets	-	3,40,000
	Proceeds from Interest Received	40,33,799	7,08,470
	<b>Net Cash from/ (used in) Investing activities (B)</b>	<b>83,75,564</b>	<b>-98,52,103</b>
C.	<b>Cash Flow from Financing Activities</b>		
	Proceeds from issue of share	10,72,50,000	-
	Repayment of Long Term Borrowings	(33,25,998)	5,02,06,384
	Proceeds from Short Term Borrowings	10,64,122	(75,51,891)
	Interest paid	(1,28,04,629)	(68,32,867)
	<b>Net Cash from/ (used in) Financing activities (C)</b>	<b>9,21,83,495</b>	<b>3,58,21,626</b>
D.	<b>Net Cash Increase/(Decrease) in cash and Cash equivalents</b>	<b>6,85,42,540</b>	<b>1,22,36,770</b>
	Cash & Cash Equivalent as at beginning of the year	2,09,67,671	87,30,900
	<b>Cash and Cash Equivalents as at Close of the year</b>	<b>8,95,10,210</b>	<b>2,09,67,671</b>

*As per our Report of even date attached.*

For WDK & Associates  
Chartered Accountants  
FRN :016389N

SA Dheeraj Wadhwa  
Partner  
Membership No: 091143



New Delhi  
30.05.2018

For and on behalf of the Board of  
SHARIKA ENTERPRISES LIMITED

Rajinder Kaul  
DIN 01609805  
CMD

Ravinder Bhan  
DIN 01609915  
WTD

Vikas Pandey  
Chief Financial Officer

Manish Kr. Pandey  
Company Secretary

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS :

### 1. Corporate Information

Sharika Enterprises Ltd. (SEL) (Formerly Known as Sharika Enterprises Pvt. Ltd), was incorporated on 6<sup>th</sup> May 1998 to undertake activities of consultancy and marketing 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 27<sup>th</sup> November, 2017.

The Consolidated financial statements are consisting of the Stand Alone Financial Statements of Sharika Enterprises Limited, its Subsidiary Companies- Sharika Lightec Pvt. Ltd. and Sunruf Energy Pvt Ltd. and its Joint Venture Company- Elettromeccanica India Pvt. Ltd. The Principal activities of these Subsidiary Companies and Joint Venture Company include Production of LED Lights, accessories and its components, Production of Plant & machinery for generation, transmission & distribution of electricity through renewable and non-renewable energy sources and Production of transformers.

### 2. Significant Accounting Policies

#### a) Basis and Principles of consolidation:

- i) Subsidiaries- Subsidiaries are entities over which the group has control.
- ii) Joint Venture-A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the Joint arrangement. Joint Control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The consolidated financial statements have been prepared on the following basis:

- i. The financial statements of the subsidiary companies / joint ventures / associates used in the consolidation are drawn upto the same reporting date as of the Company i.e. year ended March 31, 2018.
- ii. The following subsidiary company and joint venture company are considered in the Consolidated Financial Statement:



iii.

Name of the Company	Relationship	% of holding as on 31.03.2018	% of holding as on 31.03.2017
Sharika Lightec Pvt. Ltd*	Subsidiary	100%	100%
Sunruf Energy Pvt. Ltd.**	Subsidiary	51%	0
Electromeccanica India Pvt Ltd	Joint Venture	49%	49%

\*since 100% shareholding of the subsidiary company except 1 share, which is held by the promoter-director of the Company in order to comply with minimum shareholders requirement stipulated by law, is held by the parent Company, no minority interest is recognized and consolidation is done as wholly owned subsidiary.

\*\*since company holds 51% of equity share of company name which gives controlling power as per the Companies Act 2013 as well as Accounting Standard 21. The consolidation is done on a line by line basis by adding all assets and liabilities together and all minority interest has been disclosed as required by the Companies Act 2013.

- iv. The financial statements of the Company and its subsidiary company have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. The intra-group balances and intra-group transactions and unrealized profits have been fully eliminated.
- v. The financial statements of the joint venture company have been combined by using proportionate consolidation method and accordingly, venture's share of each of the assets, liabilities, income and expenses of jointly controlled entity is reported as separate line items in the Consolidated Financial Statements.
- vi. The excess of cost to the Company of its investments in the subsidiary companies / joint ventures over its share of equity of the subsidiary companies / joint ventures, at the dates on which the investments in the subsidiary companies / joint ventures are made, is recognized as 'Goodwill' being an asset in the consolidated financial statements.

Alternatively, where the share of equity in the subsidiary companies / joint ventures as on the date of investment is in excess of cost of investment of the Company, it is recognized as 'Capital Reserve' and shown under the head 'Reserves and Surplus', in the consolidated financial statements.



**b) Basis of Preparation of Financial Statements**

The Financial Statements of the Company are prepared on accrual basis under the historical cost convention and are consistent with the accounting policies followed in the previous year. The Financial statements have been prepared with the Generally Accepted Accounting Principles in India to comply with the Accounting Standards specified under section 133 of the Companies Act, 2013 (the Act) read with Rule 7 of the Companies (Accounts) Rules, 2014 in conformity with accounting principles generally accepted in India. Accounting Policies, not specifically referred to, are consistent and in consonance with generally accepted accounting principles.

**c) Use of Estimates**

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

**d) Fixed Assets**

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

**e) Depreciation/Amortisation**

Fixed assets are accounted at cost less accumulated depreciation. Depreciation is provided on a pro-rata basis on Written Down Value Method (WDV) using the rates arrived based on the useful lives of assets specified in Part C of Schedule II thereto of the Companies Act, 2013 as follows:

S. No.	Particulars	Useful Life in Years
1.	Factory Building	Upto 30 Years
2.	Plant & Machinery	Upto 15 Years
3.	Furniture & Fixture	Upto 10 Years
4.	Office Equipment	Upto 5Years /15 Years
5.	Computer Equipments	Upto 6 Years
6.	Vehicles	Upto 10Years

**f) Non- Current Investments**

The Non current investments are taken at Cost less diminution in their value on account of accumulated losses of the Companies in which Investments are made. The provision for diminution is made if in the opinion of the Management, the decline is other than temporary.

**g) Employee Benefits**

**i) Provident Fund**

The contributions remitted to government administered Provident and Pension Fund on behalf of its employees in accordance with the relevant





statute are charged to the Statement of Profit and Loss as and when due. The Company has no further obligations for future Provident/Pension fund benefits other than its monthly contributions.

ii) **Post Employment Benefit Plans**

No Provision for Gratuity payable to staff has been made during the year and shall be recognized during the period when the employee renders the services and charged as an expense at the time of actual payment made to the eligible employees.

iii) **Other Employee Benefits**

The short term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the period when the employee renders the services.

**h) Revenue Recognition**

**Sales**

Revenue is primarily derived from sale of Machines and their components and accessories. The sales are net of Sales Tax and Excise. Revenue from sales is recognized at the point of dispatch when risk and reward of ownership stand transferred to the customers.

**Other Operating Income**

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

**Other Income**

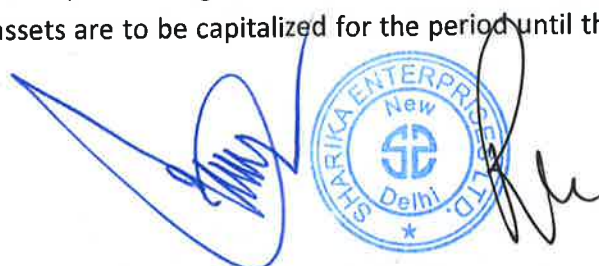
Interest and other Income is recognized on time proportion basis.

**i) Foreign Currency Transactions**

Transactions in foreign currency are recorded in Indian Rupees at the exchange rate prevailing on the date of the transactions. Exchange gains or losses on settlement, if any, are treated as income or expenditure respectively in the Statement of Profit and Loss. Liabilities in foreign currency as well as receivables in foreign currency as on the date of the Balance Sheet have been restated into Indian rupees at the rates of exchange prevailing as on the date of Balance Sheet.

**j) Borrowing Costs**

According to AS-16, borrowing costs that are directly attributable to the acquisition of qualifying assets are to be capitalized for the period until the asset is ready for its



intended use. A qualifying asset being, an asset that necessarily takes a substantial period of time to get ready for its intended use. Other borrowing costs are to be recognized as an expense in the period in which they are incurred.

**k) Taxation**

Deferred tax assets are recognized only if there is reasonable certainty that they will be realized and are recognized by way of prudence in accordance with the Accounting Standard AS 22- " Accounting for taxes on Income" issued by the Institute of Chartered Accountants of India. Deferred tax assets or liabilities are established at the enacted tax rates.

Provision for Income Tax has been made in accordance with the assessable profits determined under the provisions of the Income Tax Act.

**l) Inventories**

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

**m) Provisions, Contingent Liabilities & Contingent Assets Etc.**

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

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

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

**n) Public Issue Expenditure**

Expenditure incurred on the Public Issue of Shares of the Company is being written off out of the Security Premium Reserve created out of the premium proceeds on account of issue of Equity shares at Premium.

**o) Prior Period and Extra Ordinary items and Changes in Accounting Policies.**

Prior Period and Extra Ordinary items and Changes in Accounting Policies, having a material bearing on the financial affairs of the Company are disclosed separately.



The image shows a handwritten signature in blue ink on the left. To its right is a circular blue stamp. The stamp contains the text "SHRIYA ENTERPRISES" around the top edge, "New Delhi" at the bottom, and a central logo consisting of the letters "SE" inside a circle. A star is positioned at the bottom center of the stamp. A second handwritten signature in blue ink is written over the right side of the stamp.

# SHARIKA ENTERPRISES LIMITED

CIN-U51311DL1998PTC093690

**Note: 3 Share Capital**

Particulars	As on 31.03.2018 (in Rs.)	As on 31.03.2017 (in Rs.)
<b>AUTHORIZED CAPITAL</b>		
11000000 (previous year 100000) Equity Shares of Rs. 10/- each.	11,00,00,000	10,00,000
	11,00,00,000	10,00,000
<b>ISSUED , SUBSCRIBED &amp; PAID UP CAPITAL</b>		
10825000 (previous year 100000) Equity Shares of Rs. 10/- each, fully paid-up against cash	10,82,50,000	10,00,000
<i>*No share is being partially paid up</i>		
<b>Total</b>	<b>10,82,50,000</b>	<b>10,00,000</b>

**A. Details of Shares held by each Shareholders Holding more than 5% Shares:**

Shareholders' Name	No. of Shares Held	Percentage
Rajinder Kaul	19,76,000	18.25%
Ravinder Bhan	13,57,208	12.54%
Arun Kaul	13,57,132	12.54%
Sanjay Verma	10,85,660	10.03%
Vikas Pandey	5,42,868	5.01%
Meghana Zutshi Kaul	5,42,868	5.01%
Other in aggregate	39,63,264	36.62%

**B. Reconciliation of the Number of Shares and amount outstanding at the beginning and at the end of the reporting period**

Particulars		
Equity share outstanding at the beginning of the Year	100000 (Rs.1000000)	100000 (Rs.1000000)
Bonus Equity Share Issued during the Year	7500000 (Rs.75000000)	-
Fresh Equity Share Issued during the Year	3225000 (Rs.32250000)	-
Equity share outstanding at the end of the Year	10825000 (Rs.108250000)	100000 (Rs.1000000)

**C. Aggregate number of bonus shares issue during 5 years immediately preceding 31st March, 2018**

Particulars		
Number of shares issued	75,00,000	Nil
Par value of share	10 each	Nil
Ratio	75:1	Nil

**D. Terms/rights attached to equity shares**

E. No share is being held in the company by its holding company or its ultimate holding company including shares held by or by subsidiaries or associates of the holding company or the ultimate holding company.

F. No share is being reserved for issue under options and contracts/commitments for the sale of shares/disinvestment.

**G. The Company has issued Fresh Equity shares during the year ended 31st March, 2018 as follows**

Particulars		
Number of shares issued	32,25,000	Nil
Issued Value including Premium of Rs.33 each. (Par value of which is 10/- each)	43	Nil
Proceeds from Issue	13,86,75,000	Nil



# SHARIKA ENTERPRISES LIMITED

CIN-U51311DL1998PTC093690

## Note : 4 Reserve & Surplus

<b>General Reserve</b>		
Balance at the beginning of the year	10,00,000	10,00,000
Transferred from Surplus in Statement of Profit & Loss	-	-
Balance at the end of the year	10,00,000	10,00,000
<b>Security Premium Reserve</b>		
Balance at the beginning of the year	-	-
Premium proceed agaist issue of Equity Shares	10,64,25,000	-
Less: Written off IPO Expenses as per section 52 of Company Act,2013	1,43,62,099	-
Balance at the end of the year	9,20,62,901	-
<b>Balance in statement of Profit &amp; Loss</b>		
Balance brought forward from previous year	9,96,57,883	7,49,36,284
Add: Profit for the Year as per Statement of Profit & Loss	1,38,47,701	2,60,75,444
Less:-Miscellaneous Expenditure (To the extent not written off)	29,054	-
Less:-Deferred Revenue Expenditure	20,497	-
Less: Adjustment on account of Current Year Losses of Sharika Lightec Pvt Ltd	-	-
Less: Adjustment on account of Current Year Losses of Electromeccanica India Pvt Ltd	-	-
Less: Adjustment on account of Current Year Losses of Sunruf Energy Pvt Ltd	-	-
Less: Bonus shares issued during the year	7,50,00,000	-
	3,84,56,033.89	10,10,11,728
<b>Total</b>	<b>13,15,18,935</b>	<b>10,20,11,728</b>

## Note : 5 Long Term Borrowings

HDFC Vehicle loans	1,59,21,384	66,21,875
India Bulls Commercial Credit Ltd.	3,08,09,003	3,49,45,884
India Bulls Housing Finance Limited	-	86,38,625
Security for Rent- Sharika Lightec Pvt. Ltd. (Subsidiary Company)	50,000	-
Other Security Deposits	1,00,000	-
<b>Total</b>	<b>4,68,80,386</b>	<b>5,02,06,384</b>

### Balances of Term Loans include :

#### HDFC Vehicle Loan :-

Term Loan of Rs. 63 lacs is secured against 3 vehicles acquired out of such finance and is repayable in 84 Months by monthly installments of Rs.

Term Loan of Rs. 12.50 lacs is secured against one vehicle acquired out of such finance and is repayable in 60 Months by monthly installments of Rs. 26,258. Applicable Rate of Interest is 13%. The installments were to commence from March 2017 and last installment is due in February 2022.

#### India Bulls Commercial Credit Limited. :-

Total Term Loan of 361 lacs is secured by Collatral Security of Companys' Land & Building at B-124, Sector 67, Noida is repayable in 180 monthly instalments. Applicable Rate of Interest is 12.50%. The installments commenced from November 2016 and last installment is due in February 2032.

#### India Bulls Housing Finance Limited. :-

Total Term Loan of 30 lacs is secured by Collatral Security of Directors' Personal Property at Gurgaon and is repayable in 24 monthly instalments. Applicable Rate of Interest is 11.50%. The installments commenced from November 2016 and last installment is due in October 2018. The outstanding balance has been shown under sub head of Current Maturities of Long Term Loans in note no-9.

## Note : 6 Other Non-Current Liabilities

Security for Rent- Sharika Lightec Pvt. Ltd. (Subsidiary Company)	50,000	-
Other Security Deposits	1,00,000	-
<b>Total</b>	<b>1,50,000</b>	<b>-</b>



# SHARIKA ENTERPRISES LIMITED

CIN-U51311DL1998PTC093690

## **Note : 7 Short Term Borrowings**

<u>Secured</u>		
Cash Credit with J & K Bank (Secured against Director's Personal Property )	2,88,14,374	2,77,39,956
Short term loan from NSIC Ltd. (Secured against J & K Bank Guarantee)	1,95,35,670	1,60,06,385
Loan from Elettromeccanica India Private Limited	1,50,000	-
Odisha Finlease Pvt Ltd	30,00,000	-
<u>Unsecured</u>		
From Directors	44,14,031	1,01,17,447
From Intercorporate(Related Party)	-	3,79,804
<b>Total</b>	<b>5,59,14,075</b>	<b>5,42,43,592</b>

The Bank Facilities from J&K Bank (Cash Credit) are secured by hypothecation of Company's entire stocks and receivables.

### **Unsecured Loans:**

The amount taken as unsecured loans from Directors are usually payable on demand but the company reserves its right to defer the payment of the same for a period exceeding 12 months. The amount has been repaid partially during the year. However, no provision for Interest on the amount payable has been made in the absence of any defined terms.

## **Note : 8 Trade Payables**

Trade Payable	6,37,86,731	7,13,42,521
Advance from Customers	1,73,676	-
<b>Total</b>	<b>6,39,60,407</b>	<b>7,13,42,521</b>

## **Note : 9 Other Current Liabilities**

<u>Statutory Liabilities</u>		
Duties and Taxes	59,13,624	66,66,627
EPF Payable	7,42,754	13,43,206
ESIC Payable	1,25,446	65,619
<u>Others Liabilities:</u>		
Current Maturities of Long Term Loans	61,76,031	25,53,876
Advances from Customers	51,20,975	
Other Expenses payable	11,800	8,87,980
Employee Banefits Payable	34,43,196	37,29,812
Security Deposits		1,00,000
OD (Corporation Bank) (Secured against Companies FDRs)	5,60,22,312	-
<u>Others Expenses Payable</u>		
Legal & Professional Charges Payable	2,92,506	
Rent Payable	95,797	
Advance from Customers	-	63,57,685
Others	3,49,684	
<b>Total</b>	<b>7,82,94,124</b>	<b>2,17,04,805</b>

## **Note : 10 Short Term Provisions**

Provision for Income Tax for A.Y 2017-18	1,24,13,818	1,24,13,818
Provision for Income Tax for A.Y 2018-19	71,43,712	-
<b>Employee Benefits Payable</b>		
Salary Payable	89,046	
<b>Total</b>	<b>1,96,46,576</b>	<b>1,24,13,818</b>




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

Note 11: Fixed Assets

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	AS ON 31.03.2017	Addition	TRANSFER	AS ON 31.03.2018	AS ON 31.03.2017	FOR THE YEAR	Sale/Adjustments	AS ON 31.03.2018	AS ON 31.03.2017
<b>Tangible Assets</b>									
Land	1,83,81,155	-	-	1,83,81,155	-	-	-	1,83,81,155	1,83,81,155
Building(Jammu & Noida)	2,97,19,700	30,12,500	-	3,27,32,200	1,27,46,856	17,79,390	-	1,45,26,246	1,69,72,844
Plant & Machinery	69,34,916	72,685	-	70,07,601	27,54,255	6,74,913	-	34,29,169	41,80,661
Office Equipment	19,10,116	2,12,468	-	21,22,584	17,06,902	1,13,759	-	18,20,661	2,03,214
Computers	57,03,573	8,30,784	-	65,34,357	49,04,722	4,06,436	-	53,11,158	7,98,851
Furniture and Fixtures	37,19,090	2,13,328	-	39,32,418	29,56,348	2,41,100	-	31,97,448	7,62,742
Vehicles	1,44,85,433	-	-	1,44,85,433	49,35,745	29,82,862	-	65,66,825	95,49,688
<b>Tangible Assets</b>									
Factory Land	4,60,987	-	-	4,60,987	-	0	-	4,60,987	4,60,987
Factory Building	1,01,67,557	-	-	1,01,67,557	47,09,700	5,15,750	-	52,25,449	54,57,858
Plant & Machinery	70,81,057	-	-	70,81,057	46,42,902	4,65,775	-	51,08,677	24,38,155
Electrical Installations	10,780	-	-	10,780	4,399	2,464	-	6,863	6,381
Furniture & Fixture	8,31,202	-	-	8,31,202	6,61,079	49,387	-	7,10,466	1,70,123
Office Equipment	4,60,486	-	-	4,60,486	4,21,646	5,453	-	4,27,098	38,841
Computers	4,36,853	-	-	4,36,853	3,71,428	35,223	-	4,06,650	65,425
Vehicles	6,71,531	-	-	6,71,531	5,70,233	33,245	-	6,03,477	1,01,299
<b>Tangible Assets:</b>									
Plant & Machinery	2,14,17,901	-	-	2,14,17,901	1,22,57,581	16,55,200	-	1,39,12,781	91,60,320
Computer Equipments	2,00,100	-	-	2,00,100	1,90,095	-	-	1,90,095	10,005
Office Equipments	10,260	-	-	10,260	9,244	503	-	9,747	1,016
Furniture & Fixtures	2,76,359	-	-	2,76,359	1,87,635	28,691	-	2,16,326	88,724
Tools & Equipments	9,66,583	-	-	9,66,583	3,00,524	1,22,011	-	4,22,535	6,66,059
<b>TOTAL</b>	<b>12,25,12,603</b>	<b>43,41,765</b>	<b>-</b>	<b>12,68,54,368</b>	<b>5,43,31,294</b>	<b>91,12,161</b>	<b>-</b>	<b>6,34,43,455</b>	<b>6,95,14,345</b>
<b>Intangible</b>	<b>13,33,036</b>	<b>-</b>	<b>-</b>	<b>13,33,036</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,33,036</b>	<b>13,33,036</b>
<b>Grand Total</b>	<b>12,38,45,639</b>	<b>43,41,765</b>	<b>-</b>	<b>12,81,87,404</b>	<b>5,43,31,294</b>	<b>91,12,161</b>	<b>-</b>	<b>6,34,43,455</b>	<b>7,08,47,381</b>
<b>Previous Year</b>	<b>13,55,17,868</b>	<b>1,09,00,573</b>	<b>16,87,976</b>	<b>14,47,87,335</b>	<b>5,90,54,761</b>	<b>86,99,045</b>	<b>15,76,581</b>	<b>6,61,77,226</b>	<b>7,64,63,107</b>

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

# SHARIKA ENTERPRISES LIMITED

CIN-U51311DL1998PTC093690

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

### Note : 12 Other Non Current Assets

Non Current Assets- Margin, Retained Money against BG etc.	6,44,55,134	2,80,68,359
Miscellaneous Expenditure	13,85,158	17,15,727
Security Deposit	4,41,846	4,46,646
<b>Total</b>	<b>6,62,82,138</b>	<b>2,97,84,086</b>

### Note : 13 Deferred Taxes Assets

<b>Deferred tax assets</b>		
Fixed assets	67,57,211	67,24,747
<b>Total</b>	<b>67,57,211</b>	<b>67,24,747</b>

As per Accounting Standard -22 on Accounting for Taxes on Income issued by the Institute of Chartered Accountants of India the provision for Deferred Tax Assets as at 31-3-2018 are Rs.67,57,211/-. Since, provision for Deferred Tax Assets of Rs. 67,24,747/- was made upto 31/3/2017, therefore, Rs 32,364/- have been written back in the current year Statement of Profit & Loss Account.

### Note : 14 Inventories

Finished Goods	2,98,92,007	1,72,61,384
Raw Material	1,18,47,812	2,24,23,419
Work-in-progress		21,04,571
<b>Total</b>	<b>4,17,39,819</b>	<b>4,17,89,374</b>

### Note : 15 Trade Receivables

<b>Unsecured, Considered Good :</b>		
Outstanding for more than six month	4,89,86,160	4,60,53,776
Others	11,70,79,395	6,76,96,368
Advance to Suppliers	3,688	-
<b>Total</b>	<b>16,60,69,243</b>	<b>11,37,50,144</b>

### Note : 16 Cash & Cash Equivalent

<b>Cash &amp; Cash Equivalent</b>		
Cash-in-Hand	2,06,415	6,30,849
<b>Sub Total (A)</b>	<b>2,06,415</b>	<b>6,30,849</b>
<b>Balance with Banks</b>		
In Current Accounts	1,16,78,104	53,59,213
In Deposit Accounts (eg. margin money)	7,76,25,691	1,49,77,609
<b>Sub Total (B)</b>	<b>8,93,03,795</b>	<b>2,03,36,822</b>
<b>Total [ A + B ]</b>	<b>8,95,10,210</b>	<b>2,09,67,671</b>



# SHARIKA ENTERPRISES LIMITED

CIN-U51311DL1998PTC093690

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

### Note :17 Short Term Loans and Advances

<i>Advance Recoverable in cash or in kind or for value to be considered good</i>		
<b>a) Unsecured, Considered Good :</b>		
Advance to Suppliers	1,07,93,544	1,08,67,517
Loans & Advances to Staff	70,22,017	49,31,219
Loans & Advances to Related Party	-	7,75,109
Other Loans & Advances	30,73,151	6,77,234
<b>Recoverable Duties &amp; Taxes</b>		
Customs, Excise & Service Tax	8,55,416	
Income Tax	23,155	
GST	16,925	-
	-	-
<b>Unsecured considered good</b>		
Earnest Money Deposit	-	
Security Deposit	10,75,741	
Staff Advances	1,66,385	-
Sharika Lightec Pvt. Ltd.	73,500	-
Imprest Money	3,29,801	-
<b>Total</b>	<b>2,34,29,634</b>	<b>1,72,51,079</b>

### Note : 18 Other Current Assets

<b>a) Unsecured, Considered Good :</b>		
<b>Balance With Revenue Authorities</b>		
TDS/Advance Tax (Earlier Years)	25,93,843	10,89,916
TDS/Advance Tax (Current Year)	12,53,851	15,36,540
Recoverable Duties & Taxes from Govt.	33,00,641	46,32,265
Direct Taxes	18,110	-
Central Excise ,Vat & Others	8,80,224	
GST	3,480	-
<b>Others</b>		
Prepaid Expenses	27,687	
Inter-Corporate Loans	3,18,13,000	-
Security Deposit	8,99,586	12,72,042
Earnest Money Deposits	44,41,740	29,37,834
Accrued Interest on FDR	1,17,843	
Others		3,39,769
<b>Total</b>	<b>4,53,50,006</b>	<b>1,18,08,366</b>





# SHARIKA ENTERPRISES LIMITED

CIN-U51311DL1998PTC093690

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

### Note : 19 Revenue from Operations

Particulars	For the year	For the year
	ended	ended
	31.03.2018	31.03.2017
Sale of Service	8,13,38,722	4,55,68,957
Sales of Product	11,82,75,802	18,57,79,281
<b>Total</b>	<b>19,96,14,524</b>	<b>23,13,48,238</b>

### Note : 20 Other Income

Expenses recovered from the client	-	16,12,374
Interest on Fixed Deposits Receipts	40,33,799	7,08,470
Discount Received	3,945	-
Foreign Exchange Fluctuation	-	3,04,572
Rent Income	2,70,000	-
Exchange Fluctuation	63,708	-
Miscellaneous Income	46,15,553	10,54,646
Profit on sale of Vehicle	-	2,28,605
<b>Total</b>	<b>89,87,005</b>	<b>39,08,667</b>

### Note : 21 Cost of materials consumed

Purchases & Consumables	9,06,65,881	11,95,95,305
Calibration Charges	15,683	-
Clearing & Forwarding	13,14,112	10,74,995
Consumables	34,56,610	-
CST on purchase	3,528	-
Customs Duty	3,58,681	45,72,639
EPC & Site Project Expenses	51,59,568	52,32,532
Factory Maintenance	4,78,845	-
Factory Rent	4,56,410	-
Frieght & Cartage Inward	9,98,684	3,00,560
Insurance	40,217	-
Job Work Expenses	3,93,896	-
Others	3,695	2,11,016
Packing Expense	394	-
Testing Charges	3,13,160	-
<b>Total</b>	<b>10,36,59,363</b>	<b>13,09,87,047</b>

### Note : 22 Change in Inventories

<b>Opening Stock:-</b>		
Finished Goods	1,70,87,571	1,42,56,808
Work in Progress	21,04,571	12,51,575
	<b>1,91,92,142</b>	<b>1,55,08,383</b>
<b>Less:- Closing Stock</b>		
Finished Goods	2,38,57,551	1,72,61,384
Work in Progress	23,86,780	21,04,571
	<b>2,62,44,331</b>	<b>1,93,65,955</b>
<b>Total</b>	<b>(70,52,189)</b>	<b>(38,57,572)</b>

### Note : 23 Employee Benefit Expenses

Salaries, Wages, Bonus and Other Benefits	2,71,43,224	3,16,60,484
Employees Provident Fund	13,93,939	15,57,733
Employees State Insurance	3,16,069	2,99,782
Directors' Remuneration	84,60,000	-
Staff welfare	8,38,557	9,50,554
<b>Total</b>	<b>3,81,51,789</b>	<b>3,44,68,553</b>



The image shows a handwritten signature in blue ink over a circular blue stamp. The stamp contains the text 'SHARIKA ENTERPRISES LTD.' around the perimeter, 'New Delhi' in the center, and a star at the bottom. The signature is written in a cursive style.

# SHARIKA ENTERPRISES LIMITED

CIN-L51311DL1998PLC093690

## **Note :24 Finance Cost**

Bank Charges	14,41,470	21,89,336
Interest on Car Loan	-	
Interest on Working Capital	6,13,551	
Interest on Borrowings	1,20,39,426	68,32,867
Interest on vehicle loan	7,65,203	
Loan Processing Charges	6,47,850	1,44,538
Other Finance Costs	7,75,495	17,12,624
Bank Interest	11,88,684	
<b>Total</b>	<b>1,74,71,678</b>	<b>1,08,79,365</b>

## **Note : 25 Depreciation & Amortisation Expenses**

Depreciation	91,12,161	72,88,144
Miscellaneous Expenses written off	53,859	53,859
<b>Total</b>	<b>91,66,020</b>	<b>73,42,003</b>

## **Note : 26 Other Expenses**

Auditors' Remuneration	4,51,589	4,44,638
Bad Debts	3,31,357	1,31,841
Books & Periodicals	470	-
Business Promotion expenses	16,24,742	11,75,245
Carriage Outward	1,19,956	14,34,589
Consultancy Charges	12,348	-
Conveyance	7,54,814	6,66,621
Development Charges	-	25,501
Discount allowed	1,24,812	-
Diwali Expense	3,85,725	-
Donation	26,200	5,000
Electricity & Water Expenses	12,72,539	12,39,865
Entry Tax	4,46,689	-
Exchange Fluctuation	-	19,194
Festival Expenses	-	84,990
Freight Outward	12,43,300	-
Guest House Expenses	-	-
Insurance Expenses	10,45,314	5,53,408
Interest on TDS	2,724	-
Job Work	-	10,49,967
LD Charges (against delayed supply)	1,70,456	-
Legal & Professional Fees	30,05,560	22,08,159
Factory Power & Fuel	-	4,26,277
Miscellaneous Expenses	89,910	13,24,132
Office Expenses	3,46,394	-
Packing Expenses	-	11,317
Rent	20,78,545	12,48,358
Postage & Courier	1,30,523	-
Printing & Stationery	3,38,363	-
Rates & Taxes	1,64,130	66,466
Registration Charges	6,490	-
Repair & Maintenance	7,281	7,76,158
Repair & Maintenance- Office	1,14,820	-
Repair & Maintenance- Office Equipments	92,834	-
Repair & Maintenance- Vehicle	1,67,143	-
ROC Fees	48,276	-
Sales Tax Demand	64,122	-
SECI Commision Charges	10,85,824	-
Security Expenses	1,45,574	2,45,427
Short & Excess	638	-
Staff Training & Recruitment	17,28,110	8,90,287
Telephone & Internet Expense	14,03,724	15,21,210
Tender Fees	-	2,03,247
Testing Charges	-	1,39,178
Tour & Travel Expenses	58,87,181	43,58,735
Vehicle running expenses	19,76,774	16,63,762
<b>Total</b>	<b>2,68,95,251</b>	<b>2,19,13,572</b>



## **Additional Information to the Financial Statement**

### **27. Contingent Liabilities and Commitments**

a) Contingent liabilities: Nil. (Nil)

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

### **28. Disclosure required by Micro, Small and Medium Enterprises (Development) Act, 2006.**

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

### **29. Related Party Disclosure:**

#### **A. Description of Related Party**

##### **Subsidiaries**

Sharika Lightec Pvt. Ltd. (SLPL)

Sunruf Energy Pvt. Ltd.

##### **Joint Venture**

Elettromeccanica India Pvt. Ltd. (EIPL)

##### **Associates**

**Elettromeccanica Colombo Di Mainini Gianangelo & C.S.A.S (EC)-** holding 51% Equity shares of EIPL in which SEPL holds 49% Equity.

**High Tension Associates (HTA) –** Partnership firm holding 38% Share.

#### **Key Management Personnel of the Company:**

- |                         |                   |
|-------------------------|-------------------|
| a) Shri Rajinder Kaul   | Director          |
| b) Shri Ravinder Bhan   | Director          |
| c) Shri Arun Kaul       | Director          |
| d) Smt. Mukta Mani Kaul | Director          |
| e) Ms. Hansa Kaul       | Director          |
| f) Mainini Gianangelo   | Director          |
| g) Mainini Matteo       | Director          |
| h) Mainini Francesco    | Director          |
| i) Mr. Vikas Pandey     | CFO               |
| j) Mr. Mahesh Pandey    | Company Secretary |

#### **Relative of the Key Management Personnel of the Company:**

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



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

PARTICULARS	AMOUNT(Rs.)
Sales of goods to	
Holding Company	1,27,61,784.00
Fellow Subsidiaries	
Sharika Lightec Pvt Ltd	-
Sunruf Energy Pvt Ltd	-
Joint Venture Company	
Elettromeccanica India Pvt Ltd	-
Purchase of goods from	
Holding Company	-
Fellow Subsidiaries	
Sharika Lightec Pvt Ltd	1,21,20,284.00
Sunruf Energy Pvt Ltd	-
Joint Venture Company	
Elettromeccanica India Pvt Ltd	6,41,500.00
Any Income from	
Holding Company	-
Fellow Subsidiaries	
Sharika Lightec Pvt Ltd	2,70,000.00
Sunruf Energy Pvt Ltd	-
Joint Venture Company	
Elettromeccanica India Pvt Ltd	-
Any Expenditure to	
Holding Company	2,70,000.00
Fellow Subsidiaries	
Sharika Lightec Pvt Ltd	-
Sunruf Energy Pvt Ltd	-
Joint Venture Company	
Elettromeccanica India Pvt Ltd	-
Amount Receivable from	
Holding Company	97,87,429.00
Fellow Subsidiaries	
Sharika Lightec Pvt Ltd	14,64,750.00
Sunruf Energy Pvt Ltd	-
Joint Venture Company	
Elettromeccanica India Pvt Ltd	-
Amount Payable to	
Holding Company	14,64,750.00
Fellow Subsidiaries	
Sharika Lightec Pvt Ltd	97,53,429.00
Sunruf Energy Pvt Ltd	-
Joint Venture Company	
Elettromeccanica India Pvt Ltd	34,000.00




### 30. Key Management Personnel Compensation:

a) Shri Rajinder Kaul	28,20,000.00
b) Shri Ravinder Bhan	28,20,000.00
c) Shri Arun Kaul	28,20,000.00
d) Smt. Mukta Mani Kaul	3,85,000.00
e) Ms. Hansa Kaul	Nil
f) Mainini Gianangelo	Nil
g) Mainini Matteo	Nil
h) Mainini Francesco	Nil
i) Mr. Vikas Pandey	28,20,000.00
j) Mr. Mahesh Pandey	2,02,873.00

### 31. Auditors' Remuneration


<b>Statutory Audit</b>	<b>2,00,000.00</b>
<b>Taxation</b>	<b>1,99,975.00</b>
<b>Others</b>	<b>1,00,000.00</b>
<b>Total</b>	<b>4,99,975.00</b>


32. The Financial Statements were approved by the Board of Directors and authorized for issue on 30<sup>th</sup> May 2018.

33. All amounts in the financial statements are presented in Rupees except Share Data.

34. Previous years' figures have been regrouped, rearranged and reclassified wherever necessary to correspond with the current years' classification and disclosure.

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

  
Dheeraj Wadhwa  
Partner  
M No. 91143



On behalf of the Board of Directors

  
RAJINDER KAUL  
(Director)  
DIN- 01609805

  
RAVINDER BHAN  
(Director)  
DIN- 01609915

  
VIKAS PANDEY  
Finance Officer

  
MAHESH Kr. PANDEY  
Company Secretary

New Delhi,  
30<sup>th</sup> May, 2018