



# ANNUAL REPORT 2023

**Sharika Enterprises Limited**

Email: [info@sharikaindia.com](mailto:info@sharikaindia.com)

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

**BOARD OF DIRECTORS**

Mr. Rajinder Kaul	Managing Director
Mr. Sanjay Verma	Executive Director
Mr. Arvind Kumar Koul	Non-Executive Independent Director
Mr. Ranjeet Verma Kumar	Non-Executive Independent Director
Mrs. Tanu Sharma	Non-Executive Independent Director
Mrs. Nidhi Gambhir*	Non-Executive Independent Director

\* Mrs. Nidhi Gambhir ceased to be a director as on 02<sup>nd</sup> June, 2023

**KEY MANAGERIAL PERSONNEL**

Mrs. Garvita Asati	Chief Financial Officer
Mr. Aditya Sharma	Company Secretary

**REGISTERED OFFICE**

S 550-551, School Block  
Part-2, Welcome Plaza,  
Shakarpur, Delhi-110092  
Ph.:  
E-mail: info@sharikaindia.com

**AUDITORS**

WDK & Associates

**BANKERS**

The Jammu & Kashmir Bank Limited

**CORPORATE OFFICE**

C-504, Project ATS Bouquet,  
Sector-132, Noida, UP-201305

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BOARD'S REPORT

**TO THE MEMBERS OF  
SHARIKA ENTERPRISES LIMITED**

Your directors are pleased to present the 25th (Twenty Fifth) Annual Report of the Company together with Consolidated and Standalone Audited Financial Statements of the Company for the financial year ended on March 31, 2023.

**1. FINANCIAL PERFORMANCE**

(Rs. In Hundred)

Particulars	Consolidated		Standalone	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Revenue from Operations	5036604.65	3920182.75	5036604.65	3917620.50
EBITDA	-137650.11	167013.52	-124165.57	242487.89
Finance Cost (including interest)	169386.26	166335.65	155229.25	152027.53
Depreciation & Amortisation	33242.11	41166.46	33242.11	32363.23
Profit (Loss) before Tax**	<b>(320839.40)</b>	<b>(14871.23)</b>	<b>(294126.46)</b>	<b>101614.59</b>
Tax Expense	11437.50	17900.10	9237.00	17900.10
Profit After Tax	<b>(332276.90)</b>	<b>(32771.33)</b>	<b>(303363.46)</b>	<b>83714.49</b>

**Consolidated:**

Revenue from operations for the financial year ending 31st March 23 was Rs. 5036.60 Lakh as against Rs. 3917.62 Lakh for the previous financial year, registering an increase of 28%. Profit/(loss) after tax for the year ended 31st March, 2023 is Rs. (332.26) lakh as compared to Net Profit/(Loss) of Rs. (32.77) Lakh in the previous year. There was no revenue booked in the subsidiary company for the year under review.

**Standalone: -**

Revenue from operation for the financial year under review was Rs. 5036.60Lakh as against Rs. 3917.62Lakh for the previous financial year, registering an increase of 28%. Profit/(loss) after tax for the year ended 31st March 23 is Rs. (303.36) lakh as compared to Net Profit/(Loss) of Rs. 83.72 Lakh in the previous year.

**2. SHARE CAPITAL**

The paid-up Equity Share Capital of the Company as on March 31, 2023 was 21.65 Crore. There was no change in the share capital during the year under review.

**3. DIVIDEND**

In order to conserve the resources of the Company and to plough back the profits for growth, The

Board of Directors of the Company have decided not to recommend any dividend on the equity shares of the Company for the financial year ended March 31, 2023.

**4. SUBSIDIARY , JOINT-VENTURE AND ASSOCIATE COMPANIES**

The Company has One Subsidiary Company i.e., M/s Sharika Lightec Private Limited and Joint-Venture Company i.e., M/s Elettromeccanica India Private Limited.

**5. CONSOLIDATED FINANCIAL STATEMENTS**

In accordance with the provisions of sub-section (3) of Section 129 of the Act and relevant SEBI Listing Regulations, the Consolidated Financial Statements of the Company, including the financial details of all the subsidiary companies, forms part of this Annual Report. The Consolidated Financial Statements have been prepared in accordance with the Accounting Standards prescribed under Section 133 of the Act.

**6. RESEARCH & DEVELOPMENT**

Continuous efforts on Research & Development activities are being made to expand the domestic and export markets.

**7. CORPORATE GOVERNANCE**

Company is committed to maintaining the best



standards of Corporate Governance and has always tried to build the maximum trust with shareholders, employees, customers, suppliers and other stakeholders.

A separate section on Corporate Governance forming part of the Board's Report and the certificate from the Practicing Company Secretary confirming compliance of the Corporate Governance norms as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is included in the Annual Report in **Annexure - A**.

## **8. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

In terms of Regulation 34 of SEBI Listing Regulations, a separate section on Management Discussion and Analysis, Business Responsibility and Sustainability Report and Corporate Governance Report together with a certificate from a Practicing Company Secretary confirming compliance with the Regulations relating to Corporate Governance of SEBI Listing Regulations are set out and form part of this Annual Report.

## **9. 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 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. The Internal Financial control is supplemented by an extensive program of internal audit conducted by in house trained personnel on recommendation of the Audit Committee and the Board. The audit observations and corrective action, if any, taken thereon are periodically reviewed by the Audit committee to ensure effectiveness of the Internal Financial Control System. The internal financial control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data, and for maintaining accountability of persons.

## **10. INTERNAL CONTROL SYSTEMS**

The Internal Control systems are routinely tested and certified by Statutory as well as Internal Auditors and cover all key areas of business. Inde-

pendence of the internal audit and compliance is ensured by direct reporting to the Audit Committee of the Board.

A Managing Director and CFO Certificate, forming part of the Corporate Governance Report, further confirms the existence and effectiveness of internal controls and reiterates their responsibilities to report deficiencies to the Audit Committee and rectify the same.

## **11. DIRECTORS & KEY MANAGERIAL PERSONNEL**

### **(I) DIRECTORS**

#### **(a) Chairman**

Mr. Rajinder Kaul is the Chairman of the Board.

#### **(b) Re-appointment and Appointment**

Mrs. Nidhi Gambhir was appointed as Director of the Company by the Board of Directors in their meeting held on March 03, 2023.

#### **(c) Status of Directors**

Mr. Rajinder Kaul is the Managing Director of the Company. Mr. RavindraBhan, Mr. Arun Kaul and Mr. Sanjay Verma are Non-Independent and Executive Director. Mr. Ashok Kumar Kaul, Mr. Arvind Kumar Koul, Mr. Ranjeet Verma Kumar, Mrs. PinkiKumariand Mrs. Nidhi Gambhir are the Independent Directors of the Company.

#### **(d) Declaration from Independent Directors**

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Regulation 16 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

#### **(e) Cessation of Directors**

During the year, Mr. Ravinder Bhan, Mr. Arun Kaul, Mr. Ashok Kumar Kaul and Mrs. Pinki Kumari ceased to hold office as Directors of the Company.

### **(II) Key Managerial Person**

Pursuant to the provisions of sub-section (51) of Section 2 and Section 203 of the Act read with Companies (Appointment and Re-





muneration of Managerial Personnel) Rules, 2014, the following persons are the Key Managerial Personnel of the Company as on March 31, 2023:

Mr. Rajinder Kaul, Managing Director  
Mrs. Garvita Asati, Chief Financial Officer\*  
and  
Mr. Aditya Sharma, Company Secretary\*\*

- \* Further Mr. Ravinder Bhan resigned from the post of Chief Financial Officer and Mrs. Garvita Asati was appointed w.e.f. from February 14, 2023.
- \*\* Further, Mr. Kush Mishra has resigned from the post of Company Secretary and Compliance Officer of the Company from September 13, 2022 and Mr. Aditya Sharma has been appointed as the Company Secretary and Compliance Officer of the Company with effect from February 14, 2023.

## 12. DIVERSITY OF BOARD

The Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. In particular, a diverse Board, among others, will enhance the quality of decisions by utilizing different skills, qualifications and professional experience for achieving sustainable and balanced development.

## 13. STATEMENT OF BOARD OF DIRECTORS

The Board of Directors of the Company are of the opinion that all the Independent Directors of the Company appointed during the year possesses integrity, relevant expertise and experience required to best serve the interest of the Company. The Independent Directors have confirmed compliance of relevant provisions of Rule 6 of the Companies (Appointments and Qualifications of Directors) Rules, 2014.

## 14. DECLARATION BY INDEPENDENT DIRECTOR

In terms of the provisions of sub-section (6) of Section 149 of the Act and Regulation 16 of SEBI Listing Regulations including amendments thereof, the Company has received declarations from all the Independent Directors of the Company that they meet the criteria of independence, as prescribed under the provisions of the Act and SEBI Listing Regulations, as amended from time

to time. There has been no change in the circumstances affecting their status as an Independent Director during the year. Further, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses, if any, incurred by them for the purpose of attending meetings of the Board/Committee(s) of the Company. The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and they hold highest standards of integrity. As per the proviso to Rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors of the Company are exempted from undertaking the online proficiency self-assessment test.

## 15. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

At the time of appointing a Director, a formal letter of appointment is given to him, which inter-alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the Compliance required from him under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and other relevant regulations and affirmation taken with respect to the same.

Management does one to one discussion with the newly appointed Director to familiarize him with the Company's operations. Further the Company has put in place a system to familiarize the Independent Directors about the Company, its products, business and the on-going events relating to the Company.

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

## 16. EVALUATION OF BOARD'S PERFORMANCE

In compliance with the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the performance evaluation of the Board was carried out during the year under review. More details on the same are given in the Corporate Governance Report.



## 17. PERFORMANCE EVALUATION OF THE BOARD, COMMITTEES AND INDIVIDUAL DIRECTORS

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

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

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

## 18. MEETING OF THE BOARD OF DIRECTORS

During the year under review, the Board of Directors met six times. The details are given in the Corporate Governance Report which forms a part of the Annual Report. The intervening gap between the Meetings was within the period prescribed under Companies Act, 2013.

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

## 19. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

The company has neither made any investment nor given any guarantee during the financial year 2022-23.

## 20. DEPOSITS

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

## 21. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

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

## 22. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy establishing vigil mechanism, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy without fear of reprisal. The policy may be accessed on the Company's website.

## 23. REMUNERATION POLICY

Pursuant to the applicable provisions of the Companies Act, 2013 and the Listing Regulations, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and Individual Directors, including Independent Directors.

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

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

## 24. RELATED PARTY TRANSACTIONS

With reference to Section 134(3)(h) of the Com-



panies Act, 2013, all contracts and arrangements with related parties under Section 188(1) of the Act, entered into by the Company during the financial year, were in the ordinary course of business and on an arm's length basis. The details of the related party transactions as required under Accounting Standard-18 are set out in Note 34 to the financial statements forming part of this Annual Report.

During the year, there were no transactions with related parties which qualify as material transactions under SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. The Disclosure required in Form AOC-2 pursuant to Section 134 (3)(h) of the Companies Act, 2013 is Not Applicable.

The Company has developed a Policy for Consideration and Approval of Related Party Transactions which can be accessed on Company's website ([www.sharikaindia.com](http://www.sharikaindia.com)).

## 25. ANNUAL RETURN

Pursuant to the provisions of section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the website of the Company at the link:<http://www.sharikaindia.com/annual-return.php>.

## 26. RISK MANAGEMENT

Every organization is exposed to a number of risks that it needs to effectively identify, manage and mitigate. Company has a process in place to identify key risks across the organisation and relevant action plans to mitigate these risks. The Audit Committee has been entrusted with the responsibility to assist the Board members about the risk assessment and its minimization procedures.

There are no risks which in the opinion of the Board threaten the existence of your Company. However, some of the risks which may pose challenges are set out in the Management Discussion and Analysis which forms part of this Report.

## 27. AUDITORS

### **Statutory Audit:**

M/s. WDK & Associates, Chartered Accountants (ICAI Firm's Registration No. 061389E), were

re-appointed as Statutory Auditors of the Company for a period of 5 years in Twenty-One (21st) AGM till the conclusion of the Twenty-Six (26th) AGM.

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

### **Secretarial Audit:**

Pursuant to the Provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Managerial Personnel) Rules, 2014, the Company has appointed "M/s Jaivinder Singh & Associates", a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company.

The Secretarial Auditors have submitted their report, confirming compliance by the Company of all the provisions of the applicable corporate laws. The Secretarial Audit Report annexed as Annexure-B

## 28. CHANGE IN NATURE OF BUSINESS, IF ANY

No change in the nature of the business of the Company done during the year under review.

## 29. CORPORATE SOCIAL RESPONSIBILITY

Pursuant to provision of Section 135 of the Companies Act, 2013, your Company does not fall within the criteria of turnover and/or/ profit and/or net worth, therefore, the Company has neither formed CSR Committee nor CSR Policy.

## 30. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments which have occurred subsequent to the close of the financial year of the Company to which the balance sheet relates and the date of the report that may affect the financial position of the Company.

## 31. SIGNIFICANT AND MATERIAL ORDERS PASSED



### BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

### 32. LISTING WITH STOCK EXCHANGE

The Company confirms that it has paid the Annual Listing Fees for the year FY 2022-2023 to the Bombay Stock Exchange where the Company's equity shares are listed.

### 33. POLICY ON CODE OF CONDUCT & ETHICS AND SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE

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

### 34. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURE

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is also enclosed as **Annexure D** to this Report.

The information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 pertaining to the top ten employees in terms of remuneration drawn and their other particulars also form part of this report. However, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy

of the same may write to the Company Secretary.

### 35. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of section 134 (5) of the Companies Act, 2013, the Board of Directors, to the best of knowledge and belief and according to the information and explanations obtained by them, hereby confirm that:

In the preparation of the annual accounts, applicable accounting standards have been followed along with proper explanation relating to material departures.

Accounting policies selected were applied consistently. Reasonable and prudent judgments and estimates are made so as to give a true and fair view of the state of affairs of the Company as of 31st March, 2023 and of the profits of the Company for the year ended on that date.

Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

The annual accounts of the Company have been prepared on a going concern basis.

Proper Internal Financial Controls were in place and that the Financial Controls were adequate and were operating effectively.

Systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

### 36. SECRETARIAL STANDARDS

During the year 2022-2023, the Company has complied with applicable Secretarial Standards issued by the Institute of the Company Secretaries of India.

### 37. Other Disclosures

During the year, there were no transaction requiring disclosure or reporting in respect of matters relating to:

- (a) pendency of any proceeding under the Insolvency and Bankruptcy Code, 2016; and
- (b) instance of one-time settlement with any bank or



financial institution.

### **38. ACKNOWLEDGEMENT**

Your Directors would also like to extend their gratitude for the co-operation received from financial institutions, the Government of India and regulatory authorities. The board places on record its appreciation for the continued support received from customers, vendors, retailers and business partners, which is indispensable in the smooth functioning of Company. Your Directors also take this opportunity to thank all investors and shareholders, and the stock exchanges for their continued support. Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. Their contribution to the success of this organization is immensely valuable.

For and on behalf of the Board of Directors,

Date: August 10, 2023  
Place: Noida

Rajinder Kaul  
**Managing Director**





**CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of  
**Sharika Enterprises Limited**  
**Regd. Office: S-550-551, School Block Part-2, Welcome Plaza, Shakarpur**  
East Delhi, Delhi-110092 IN

1. We have examined the compliance of the conditions of corporate governance by Sharika Enterprises Limited (“the Company”) for the year ended 31 March, 2023 as stipulated in Regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (“SEBI Listing Regulations”).

**2. Management’s Responsibility**

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

**3. Our Responsibility**

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

**4. Opinion**

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31 March, 2023

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the company

**For Jaivindra Singh & Associates**  
**Company Secretaries**

**Jaivindra Singh**  
**Date:** 28.07.2023  
**Place:** Delhi  
**Peer Review No:** 2806/2022  
**UDIN:** A067462E000698499

**COP No.:** 25169  
**M.No.:**67462



**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2023**

[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**

**CIN: L51311DL1998PLC093690**

**Regd. Office:** S-550-551 School Block Part-2 Welcome Plaza,  
Shakarpur, Delhi East, Delhi-110092 IN

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.
- d) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2023 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

- (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 of the Company, we further report that the Company has adequate system to ensure the compliance of the other applicable laws specifically to the Company.

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

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

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

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. **However, during the year composition of Board of Director is not maintained for which BSE Ltd imposed a Fine of Rs 5,42,800. Further as on 31.03.2023 composition was maintained by the Company and application for waiver of fine was submitted by the company.**
- 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. Minutes of the meetings should be in compliance with the Secretarial standards laid down by ICSI.
- All decisions at Board Meetings and Committee Meetings are carried out by unanimously/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 Jaivindra Singh & Associates**  
**Company Secretaries**

**Jaivindra Singh**

**Date:** 28.07.2023

**Place:** Delhi

**Peer Review No:** 2806/2022

**UDIN:** A067462E000698499

**COP. No.:** 25169

**M.No.:**67462



### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To

**The Members of  
Sharika Enterprises Limited  
S-550-551 School Block Part-2  
Welcome Plaza, Shakarpur  
Delhi 110092**

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Sharika Enterprises Limited** having **CIN: L51311DL1998PLC093690** and having registered office at S-550-551 School Block Part-2 Welcome Plaza, Shakarpur Delhi 110092 India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal ([www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial year ended on 31 March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S.No.	Name of Director	DIN	Date of appointment
1	Rajinder Kaul	01609805	06/05/1998
2	*Ravinder Bhan	01609915	01/04/2005
3	*Arun Kaul	02588961	01/04/2005
4	Sanjay Verma	08139841	30/05/2018
5	Arvind Kumar Koul	09045833	01/02/2021
6	*Ashok Kumar Kaul	02553653	26/08/2017
7	Nidhi Gambhir	10053672	03/03/2023
8	Ranjeet Verma Kumar	02758995	14/08/2018

**Note:**

\* Was director of the Company upto 31.03.2023

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

**For Jaivindra Singh & Associates  
Company Secretaries**

**Jaivindra Singh**  
COP.No.: 25169  
Date: 28.07.2023  
Place: Delhi  
UDIN: A067462E000698246

**M.No.:67462  
Peer Review No: 2806/2022**





**ANNEXURE - C**

**THE INFORMATION ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO STIPULATED UNDER SECTION 134 (3) (m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNT) RULES, 2014**

**A. CONSERVATION OF ENERGY**

**(i) Steps taken/Impact on Conservation of Energy:**

Improvement in energy efficiency is a continuous process at Cosmo and conservation of energy is given a very high priority in all our plants and offices.

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

- Shifted to an open work culture with centralized ACs to reduce power consumption by 25%.
- Taping of natural light to reduce the energy consumption in the Company.
- Solar rooftops and solar based street lights in Punjab and Robin will advise.
- Steps taken to increase availability of solar power at various client locations at J&K and Punjab.

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

The Company is also in the process of evaluation of other sources of energy such as Wind and solar energy. All the manufacturing units will continue to put in effort to reduce specific energy consumption.

**(iii) Capital investment on energy conservation equipments during the year: 1 crore.**

**B. TECHNOLOGY ABSORPTION**

i) Efforts made towards technology absorption:

- ii) Technology transfer Agreement with Korean and Spanish companies and based on that we are working on certain items such as switch gear controllers to be made indigenously.
- iii) Training of staff in the field of cable installation works by cable OEMs.
- iv) Invested on the technical training of staff and engineers in IEEMA and CBIP.
- v) The benefits derived like service improvement and development, cost reduction, and import substitution.
- vi) In case of imported technology (Imported during the last 3 years reckoned from the beginning of the financial year)

Details of Technology Imported-medium voltage SMART load break switch

Year of Import-2023

Whether the technology been fully absorbed- Partially and will be done gradually over a period of time.

(If not fully absorbed, areas where this has not taken place, and reasons thereof)

vii) Expenditure incurred on Research and Development

	<u>Rs. Lacs (approx.)</u>
(a) Capital	NIL
(b) Recurring	20.00
(c) Total	20.00
(d) Total R & D expenditure as percentage of net sales	0.39%

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

The Company's foreign exchange earnings were Rs. 42.58 Lacs (Previous Year NIL). The total foreign exchange utilized during the year amounted to Rs. 852.07 Lacs (Previous Year NIL). Details of foreign Exchange earned and utilized during the year are given in Notes to Accounts.



**(THIS REPORT FORMS PART OF DIRECTORS' REPORT)**

**DISCLOSURE IN DIRECTORS' REPORT PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL), RULES, 2014**

1. The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the Financial Year.

Name of the Director	Ratio
Mr. Rajinder Kaul	9.63
Mr. Sanjay Verma	9.63
Mr. RavinderBhan	9.63
Mr. Arun Kaul	9.63

Note: For this purpose, Sitting Fees paid to the Directors have not been considered as remuneration.

2. **The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the Financial Year.**

Name	Designation	% increase
Mr. Rajinder Kaul	Managing Director	NIL
Mr. Garvita Asati*	Chief Financial Officer	-
Mr. Aditya Sharma*	Company Secretary	-

\*Appointed as February 14, 2023.

3. **Percentage increase in the median remuneration of all employees in the Financial Year 2022-23 is 12.68%**

4. **Number of Permanent employees on the rolls of Company as on 31st March, 2023 -56 Nos.**

5. **Average percentage increase made in salary of employees other than the Managerial Personnel in the last Financial Year and its comparison with the percentage increase in the Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration:** Average increase in remuneration for Employees other than Managerial Personnel and for Managerial Personnel is 10.28% and 13.29% respectively.

6. **Affirmation that the remuneration is as per the Remuneration Policy of the Company**

It is confirmed that the remuneration paid to the Directors, Key Managerial Personnels and Senior Management is as per the Remuneration Policy of the Company.

7. Information pursuant to Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 pertaining to the top ten employees in terms of remuneration drawn and their other particulars also form part of this report. However, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

**General Note:**

- Managerial Personnel includes Whole-time Director.



## MANAGEMENT DISCUSSION & ANALYSIS REPORT

### Industry Structure & Developments:

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 Auto re-closers, 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 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.

### Opportunities & threats:

Capital markets at present are going through turbulent times. Although the inflation has remained steady during the year but it is still under pressure due to hike in petrol prices, burden of diesel subsidies, high fiscal deficit, etc. However, we feel that the opportunities will soon arise in the markets upon the corrective policies by the government and better fiscal management which will strengthen the economy.

### Details of Significant Changes in the Key Financial Ratio & Return on Net Worth:

As per the amendment made under Schedule V to the Listing Regulations read with Regulation 34(3) of the Listing Regulations, details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in Key Financial Ratios and any changes in Return on Net Worth of the Company including explanations therefore are given below:

S. No.	Particulars	For the Year ended on March 31, 2023	For the Year ended on March 31, 2022	Changes between Current F.Yr. & Previous F.Yr.	REMARKS
1.	Current Ratio	2.11	1.89	11.70%	
2.	Debt Equity ratio	0.50	0.49	2.20%	
3.	Operating Profit Margin	18.73	24.63	23.96%	
4.	Net Profit Margin	-6.02	2.41	-300.8%	Increase in direct cost and other expenses related to projects during the F.Y. 22-23
5.	Interest Coverage Ratio	-0.34	0.35	-196.8%	Increase in direct cost and other expenses related to projects during the F.Y. 22-23
6.	Return on Net Worth	-0.09	0.09	-199.3%	Increase in direct cost and other expenses related to projects during the F.Y. 22-23



### **Segment Wise or Product Wise Performance**

The Company is engaged only into single reportable Segment during the year under review.

### **Outlook**

Your Company has not decided to enter into new field. It is exploring various business opportunities but nothing concrete has been derived. Barring unforeseen circumstances your directors hope to find some concrete business opportunity to expand the business of the Company.

### **Risks & Concerns**

Your Company at present is exposed to the normal industry risk factor of volatility in interest rate, economic cycle and credit risk. It has not yet decided its future course of activities. The impact of new activity, as when decided, will be known in the future.

### **The Competition Risk**

Power and Electrical industry is capital intensive industry. In a free market environment, new capacities are created depending upon demand supply situation and return on investment. Industry is cyclical in nature and at times there is over supply situation leading to decline in operating margins.

We are mitigating the above risk by increasing our exports presence, developing niche products, exploring new markets and new customers. The company has a good image with local customers.

### **Customer Attrition Risk**

All customers are sensitive to quality, delivery and price.

The above risk is mitigated by developing value added niche products, customer schedule adherence and improved quality standards. This enables us to build long term relationship with various customers by providing them good value proposition.

### **People Risk Management**

High Quality human resources are vital to the success of our business. People are valuable assets of the company.

The company has been working towards providing challenging high growth environment for its employees. The company follows good HR practices, which include various schemes for employee welfare and motivation.

The company has strong appraisal system. It has successfully worked its compensation policy to team and individual performances. The company provides good opportunity to deserving candidates. The company believes in growth of its managers to leaders and has structured training programs to that effect.

With excellent performance track record as well as best HR practices we are able to attract and retain people for growth of our business.

### **Security Risk Management**

Operations could be disrupted due to natural, political and economic disturbances. Running a business exposes the company to a number of risks. The company has taken adequate insurance cover on its insurable interests. These include:

- i) Fire Risk
- ii) Marine risk
- iii) Burglary risk
- iv) Group Personal Accident Policy
- v) Other Miscellaneous Policies.

The company has also taken steps to strengthen IT security system as well as physical security system at all our locations.

### **Foreign Exchange Risk**

The Company is exposed to foreign exchange risk mainly due to imported raw materials and finished products.

Since we are a net foreign exchange earner on an overall basis it may be stated that there is an exposure to the risk of Indian rupee appreciating against other foreign currencies.

### **Adequacy of Internal Control**

The established Internal Control System of your Company are adequate to ensure that all the activities are monitored and controlled against any misuse or misappropriation of asset and that the transactions are authorized, recorded and reported correctly. More so, these internal control systems are regularly monitored by the audit committee of your Company and are improved upon on regular basis.

### **Operational & Financial performance**

The details of the financial performance are appearing in the financial statements appearing separately. The highlights of the same are also mentioned in the Directors' Report.



### **Internal Control Systems & their adequacy**

The Statutory Auditors assess the adequacy of internal control every quarter and report to the Board of Directors accordingly. The Company has adequate internal control procedures commensurate with size of the company and nature of its business.

### **Human Resources /Industrial Relations front**

Human resource is considered as vital strength of the company. There was unity of purpose among all level of employees i.e. to continuously strive for the improvement in work practices & productivity.

### **Cautionary statement**

Certain statements in the Management Discussion & Analysis describing the company's views about the industry's expectations/ predictions objectives etc. may be forward looking within the applicable laws and regulations. Actual results may differ materially from those expressed in the statements. Company's operations may be affected with the demand and supply situations, input prices and their availability, changes in Government regulations, tax laws and other factors such as industrial relations and economic developments etc. Investors should bear the above, in mind.





## CORPORATE GOVERNANCE REPORT

(Pursuant to Schedule V of the SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015)

### I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate governance implies the method or measures taken to govern the Company in such a manner so as to ensure more accountability of Board of Directors towards the Shareholders and other stakeholders. It has been drawn up defining the role of Board of Directors, establishing director's accountability to the Shareholders, investors and interest group setting out guidelines for more effective and new quality of performance, changing the face of relation between the board and executive officers. Your Company is committed to adopting the best global practices of Corporate Governance. The philosophy of Corporate Governance as manifested in the Company's functioning is to achieve business excellence by enhancing long-term shareholder's value and interest of its entire shareholders.

The Board of Directors of the company have developed and adopted Corporate Governance guidelines in addition to the compliance imposed by the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. The Board ensures that the company has necessary regulatory mechanism so that timely and accurate disclosure of information regarding the financial situation, performance, ownership and

governance of the company is disclosed.

The Company's compliance of Corporate Governance guidelines of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 is as follows:

### II. BOARD OF DIRECTORS

The Board of Directors is entrusted with the ultimate superintendence, control and responsibility of the affairs of the Company. Composition of the Board of Director

#### A. COMPOSITION OF THE BOARD AND RECORD OF OTHER DIRECTORSHIPS HELD

The Board of Directors of the company comprises of an optimum combination of Executive and Non-Executive Directors headed by Executive Chairman. The present strength of Board of Directors as on 31st March, 2023 is eight directors as detailed below.

More than half of the Board comprises of Non-Executive Directors. The Independent Directors do not have any pecuniary relationship or transactions with the company, promoters, and management, which may affect their judgment in any manner.

The structure of the Board and record of other directorships and Committee Memberships and Chairmanships as on 31st March, 2023 is as under:

Name/ DIN	Category	Designation	No. of other Directorships held in Public Companies	No. of Chairmanships / Memberships of Other Board Level Committees		Shareholding (as on 31 <sup>st</sup> March 2023)
				Member-ship	Chairman-ship	
Mr. Rajinder Kaul (DIN-01609805)	Managing Director (Promoter)	Director	-	1	-	-
Mr. Ravinder Bhan (DIN-01609915)	Executive Director	Director	-	-	-	-
Mr. Sanjay Verma (DIN-08139841)	Executive Director	Director	-	-	-	-



Name/ DIN	Category	Designation	No. of other Directorships held in Public Companies	No. of Chairmanships / Memberships of Other Board Level Committees		Shareholding (as on 31 <sup>st</sup> March 2023)
				Member-ship	Chairman-ship	
Mr. Arun Kaul (DIN-02588961)	Non-Executive Non- Independent Director	Director	-	-	-	-
Mr. Ashok* Kumar Kaul (DIN-02553653)	Non-Director Executive Independent	Director	-	2	-	-
Mr. Arvind Kumar Koul (DIN-09045833)	Non-executive, Independent	Director	-	2	2	NIL
Mr. Ranjeet Verma Kumar (DIN-02758995)	Non-executive, Independent	Director	-	2	-	NIL
Mrs. Nidhi Gambhir (DIN-10053672)	Non-executive, Independent	Director	-	2	-	NIL

**NOTE:**

- (i) The Directorship held by Directors as mention above; does not include Alternate Directorship, Directorship in foreign companies, companies registered under section 8 of the Companies Act, 2013 and private limited companies.
- (ii) Membership(s) / Chairmanship(s) of any of the Audit Committee and Stakeholder Relationship Committee in all public limited companies (including Sharika Enterprises Limited) have been considered
- (iii) None of the Directors is a member of more than 10 Board-level committees of public Companies in which they are Directors, nor is a Chairman of more than 5 such committees.
- (iv) None of the Independent Directors of the Company serve as an Independent Director in more than seven Listed Companies and where any Independent Director is serving as whole-time director in any listed company, such director is not serving as Independent Director in more than three listed companies.

\* Mr. Ashok Kumar Kaul, Mr. RavinderBhan and Mr. Arun Kaul resigned w.e.f. March 31, 2023.



**Name of other listed entities where Directors of the company are Directors and the category of Directorship:**

Name of the Director	DIN	Name of listed entities in which the concerned Director is a Director	Category of Directorship
Mr. Rajinder Kaul	01609805	-	-
Mr. Sanjay Verma	08139841	-	-
Mr. RavinderBhan	01609915	-	-
Mr. Arun Kaul	02588961	-	-
Mr. Ashok Kumar Kaul	02553653	-	-
Mr. Ranjeet Verma Kumar	02758995	-	-
Mr. Arvind Kumar Koul	09045833	-	-
Mrs. Nidhi Gambhir	10053672	-	-

**i. Skills/Expertise/Competence of the Board Of Directors**

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

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

**B. BOARD MEETINGS:**

**1. SCHEDULING AND SELECTION OF AGENDA FOR BOARD MEETINGS**

The months for holding the Board Meetings in the ensuing year are usually decided in advance and mostly the Board Meetings are held at B-124, Sector-67, Noida, Uttar Pradesh-201301. The Company Secretary drafts the agenda for each meeting, along with explanatory notes, and is distributed in advance to the Directors. The Board meets at least once in a quarter to review the quarterly results and other items on the agenda.

**2. BOARD MEETING HELD DURING THE F.Y. 2022-23 AND ATTENDANCE OF DIRECTORS**

The Board met six times during the financial year from 1st April, 2022 to 31st March, 2023 on 30th May, 2022, 09th August, 2022, 14th November, 2022, 14th February, 2023, 03rd March, 2023 and 24th March, 2023. The maximum time gap between any two meetings was not more than four months. The following table gives the attendance record of the Board Meetings.



DIRECTOR	No. of meetings held during the tenure of Directors	No. of meetings Attended
Mr. Rajinder Kaul	6	6
Mr. Sanjay Verma	6	6
Mr. Ravinder Bhan*	6	6
Mr. Arun Kaul*	6	6
Mr. Ashok Kumar Kaul*	6	5
Mr. Ranjeet Verma Kumar	6	1
Mr. Arvind Kumar Koul	6	6
Mrs. Nidhi Gambhir**	1	1

\* Mr. Ravinder Bhan, Mr. Arun Kaul and Mr. Ashok Kumar Kaul ceased to be a member of the Board w.e.f. March 31, 2023.

\*\* Mrs. Nidhi Gambhir was appointed w.e.f. March 03, 2023.

### 3. ATTENDANCE AT AGM

Following Directors attended the AGM held on 30th June, 2022, through VIDEO CONFERENCING

- Mr. Rajinder Kaul
- Mr. Sanjay Verma
- Mr. Ravinder Bhan\*
- Mr. Arun Kaul\*

\* Mr. Ravinder Bhan and Mr. Arun Kaul ceased to be a Director with effect from March 31, 2023.

### 4. AVAILABILITY OF INFORMATION TO THE BOARD

The Board has unfettered and complete access to any information within the company and to any employee of the Company. Necessary information as mentioned in Schedule II of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 has been regularly placed before the Board for its consideration.

### C. FAMILIARISATION PROGRAMME FOR DIRECTORS

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

At the time of appointing any Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and respon-

sibilities expected of him as a Director of the Company. The Director is also explained in detail the Compliance required from him under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and other relevant regulations and affirmation taken with respect to the same. The Chairman also has one to one discussion with the newly appointed Director to familiarize him with the Company's operations. Further the Company has put in place a system to familiarize the Independent Directors about the Company, its products, business and the on-going events relating to the Company.

The web link for the Familiarization Programme for Independent Directors is: -<http://www.sharikaindia.com/policy.php>

### D. BOARD LEVEL COMMITTEES

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

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

#### 1. AUDIT COMMITTEE

##### ➤ TERMS OF REFERENCE

The Audit Committee acts as a link between the Statutory and the Internal Auditors and Board of Directors. The purpose of the Committee is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting process, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's Statutory and Internal Audit Activities. Majority of the



members are Non-Executive Directors and each member has rich experience in financial sector. The Committee is governed by a charter which is in line with the regulatory requirements mandated by the Section 177 of the Companies Act, 2013 and Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

➤ **COMPOSITION OF THE AUDIT COMMITTEE**

The Audit Committee consists of the following four members and every member of the Committee possesses a strong financial management and accounting background as on 31st March, 2023:

- Chairman : Mr. Ashok Kumar Kaul
- Members : Mr. Ranjeet Kumar Verma  
Mr. Rajinder Kaul  
Mrs. Nidhi Gambhir\*

\* Mr. Nidhi Gambhir appointed as Member on March 03, 2023.

➤ **MEETINGS AND ATTENDANCE DURING THE YEAR**

The Audit Committee met five times during the financial year from 1st April, 2022 to 31st March, 2023 on 30th May, 2022, 09th August, 2022, 14th November, 2022, 14th February, 2023 and 24th March, 2023. The attendance of Audit Committee members is as follows:

Name of the Audit Committee Members	Number of Audit Committee Meetings	
	Held during the tenure of Directors	Attended
Mr. Arvind Kumar Kaul	5	5
Mr. Rajinder Kaul	5	5
Mr. Ranjeet Verma Kumar	5	1
Mrs. Nidhi Gambhir	1	1

**2. STAKEHOLDER RELATIONSHIP COMMITTEE (SRC)**

➤ **TERMS OF REFERENCE**

Terms of reference of the Stakeholder Relationship Committee are as per the

guidelines set out in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that inter-alia include looking into the investor's complaints on transfer of shares, non-receipt of declared dividends etc. and Redressal thereof.

To expedite the process of share transfers the Board has delegated the power of share transfer to Skyline Financial Services Private Limited viz. Registrar and Share Transfer Agents who will attended to the share transfer formalities at least once in a fortnight.

➤ **COMPOSITION OF SRC**

The Stakeholders Relationship Committee is headed by an Independent Director and presently consisted of the following members as on March 31, 2023.

- Chairperson : Mr. Arvind Kumar Koul
- Members : Mr. Ranjeet Verma Kumar  
Mrs. Nidhi Gambhir\*

\*Mrs. Nidhi Gambhir was appointed as member on 03rd March, 2023.

➤ **MEETING AND ATTENDANCE DURING THE YEAR**

The Committee met four times during the financial year from 1st April, 2022 to 31st March, 2023 on. The following table gives the attendance record of the Stakeholder Relationship Committee.

Name of the Director	Number of SRC Meetings	
	Held during the tenure of Directors	Attended
Mr. Arvind Kumar Koul	4	4
Mr. Ranjeet Verma Kumar	4	2
Mrs. Nidhi Gambhir	1	1

**COMPLIANCE OFFICER**

The Compliance Officer for this Committee, at present, is Mr. Aditya Sharma, Company Secretary.

➤ **SHAREHOLDER'S COMPLAINTS RECEIVED / RESOLVED DURING THE FY 2022-23**

During the year from April 01, 2022 to March 31,



2023 the Company received nil complaints from various Investors / Shareholders' relating to non-receipt of Dividend / Bonus Shares / Transfer of Shares / Dematerialization of Shares / Annual Report etc. At the end of March 31, 2023, no complaint was pending for redressal and there were no pending share transfers as on March 31, 2023.

➤ **PENDING SHARE TRANSFER**

There are no pending share transfers as on 31/03/2023.

**3. NOMINATION AND REMUNERATION COMMITTEE**

➤ **TERMS OF REFERENCE**

This Committee shall identify the persons, who are qualified to become Directors of the Company who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and also shall carry out evaluation of every director's performance. Committee shall also formulate the criteria for determining qualifications, positive attributes, independent of the Directors and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees. The terms of the reference of Nomination and Remuneration Committee covers the areas mentioned under Part D of Schedule II of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015 as well as section 178 of the Companies Act, 2013.

➤ **COMPOSITION**

In compliance with Section 178(1) of the Companies Act, 2013 and Regulation 19 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Nomination and Remuneration Committee and is headed by an Independent Director and consists of the following members:

Chairman : Mr. Arvind Kumar Koul  
Members : Mrs. Nidhi Gambhir  
Mr. Ranjeet Verma Kumar

\* Mrs. Nidhi Gambhir was appointed as a member of the Committee w.e.f. March 03, 2023.

➤ **MEETING AND ATTENDANCE DURING THE YEAR**

The Committee met 5 times during the financial year from 1st April, 2022 to 31st March, 2023. The following table gives the attendance record of the Nomination and Remuneration Committee.

Name of the Director	Number of NRC Meetings	
	Held during the tenure of Directors	Attended
Mr. Arvind Kumar Koul	5	5
Mr. Ranjeet Verma Kumar	5	2
Mrs. Nidhi Gambhir	1	1

➤ **Compliance Officer**

The Compliance Officer for this committee, at present, is Mr. Aditya Sharma, Company Secretary.

➤ **REMUNERATION POLICY**

**Remuneration to Non-Executive Directors**

The Non-Executive Directors are paid remuneration by way of Sitting Fees. The Non-Executive Directors are paid sitting fees for each meeting of the Board or Committee of Directors attended by them. The total amount of sitting fees paid during the Financial Year 2022-23 was Rs. 1.06 lacs. The Non- Executive Independent Directors do not have any material pecuniary relationship or transactions with the Company. A payment criterion of Non-Executive Directors is available on website of the Company. The web link for the same is <http://www.sharikaindia.com/policy-new.php>

**Remuneration to Executive Directors**

The appointment and remuneration of Whole-time Director is governed by the recommendation of the Nomination and Remuneration Committee, resolutions passed by the Board of Directors and shareholders of the Company. The remuneration package of Whole-time Director comprises of salary, perquisites, allowances, and contributions to Provident and other Retirement Benefit Funds as approved by the shareholders at the General Meetings.

The remuneration policy is directed towards rewarding performance, based on review of



achievements. It is aimed at attracting and retaining high caliber talent.

#### Remuneration Paid to Directors

Following tables gives the details of remuneration paid to directors, during the year from April 01, 2022 to March 31, 2023;

The following remuneration was paid during the year 2022-23:

S. No.	Name of Director	Amount (Figure In lacs)
1	Mr. Rajinder Kaul	14.00
2	Mr. Sanjay Verma	10.60
3	Mr. Ravinder Bhan	14.00
4	Mr. Arun Kaul	14.00

#### E. INDEPENDENT DIRECTORS:

It is hereby confirmed that all the Independent Directors fulfill the conditions specified in SEBI (LODR) Regulations, 2015 and Companies Act, 2013 and all are independent of Management. The Company has complied with the definition of Independence as per SEBI (LODR) Regulations, 2015 and according to the Provisions of section 149(6) Companies Act, 2013. The company has also obtained declarations from all the Independent Directors pursuant to section 149 (7) of the Companies Act, 2013.

#### a) **Training of Independent Directors:**

Whenever new Non-Executive and Independent Directors are inducted in the Board they are introduced to our Company's culture and they are also introduced to our organization structure, our business, constitution, board procedures, etc.

The appointment letters of Independent Directors have been placed on the Company's website.

#### b) **Performance Evaluation of non-executive and Independent Directors**

The criteria for performance evaluation cover the areas relevant to the functioning as Independent Directors such as Knowledge, experience, commitment etc. The performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation the Directors who are subject to evaluation had not participated.

All the Non-Executive and Independent Directors are having wide experience in the field of business, industry and administration. Their presence on the Board is advantageous and fruitful in taking business decisions.

#### c) **Separate Meeting of the Independent Directors**

The Independent Directors held a Meeting, without the attendance of Non-Independent Directors and members of Management, on 09th February, 2023.

#### F. ANNUAL GENERAL MEETING

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

#### G. DATES AND VENUE OF PREVIOUS THREE ANNUAL GENERAL MEETINGS

Financial Year	Place	Date	Resolution Passed
2021-22	Through Virtual Conference and OAVM means	Saturday, December 31, 2022 at 3:00 P.M. through Video Conferencing	No, special resolution has been passed in the meeting.
2020-21	Through Virtual Conference and OAVM means	Tuesday, September 28, 2021 at 01:00 P.M. through Video Conferencing	Yes, special resolution has been passed in this meeting.
2019-20	Willow Hall : Habitat World at India Habitat Centre, Lodhi Road, New Delhi 110003	Monday, 21st December, 2020 at 11.00 A.M.	No, special resolution has not been passed in this meeting.





## H. AFFIRMATIONS AND DISCLOSURES:

Compliance with Mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

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

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

There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements. A statement in summary form of transactions with related parties in the ordinary course of business and arm's length basis is periodically placed before the Audit Committee for approval.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website web link of which is provided as below: <http://www.sharikaindia.com/policy-new.php>

- The Company has complied with the requirements of stock exchanges or SEBI on matters related to Capital Markets, as applicable. No penalty was levied by these authorities in last three years.
- 3. Code of Conduct:** The Company has adopted a Code of Conduct for the members of the Board of Directors and the senior management of the Company. The Code of Conduct is displayed on the website of the Company. All the directors and

the senior management personnel have affirmed compliance with the code for the financial year ended 31st March 2023. A declaration to this effect, signed by the Chief Executive Officer/ Executive Director is annexed to this report.

- 4. Vigil Mechanism/ Whistleblower Policy:** In accordance with requirement of Companies Act as well as SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, accordingly a whistle blower policy has been formulated with a view to provide a mechanism for employees of the company to approach Internal Auditor or Chairman of the Audit Committee of the Company to report any grievance. No personnel of the company have been denied access to the Audit Committee. A link to such policy is also provided in the website of the company.
5. During the Financial Year ended 31st March, 2023 the Company did not engage in commodity hedging activities.
6. During the Financial Year ended 31st March, 2023, the Company did not raise any funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A).
7. During the Financial Year ended 31st March, 2023, One Independent Director of the company resigned before the expiry of his tenure.
8. During the Financial Year ended 31st March, 2023, the Company has not issued any debt instruments or fixed deposit programme involving mobilization of funds, whether in India or abroad.
9. A certificate from a company secretary in practice confirming that none of the Directors on the Board of the company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority, is annexed to this report.
10. There have been no instances of non-acceptance of any recommendations of the any Committee by the Board during the Financial Year under review.
11. Total fees of Rs. 3.60 Lakh for financial year 2022-23, for all services, was paid by the Company, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part.
12. The necessary certificate under Part B of Schedule



II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to this report.

13. The Company Secretary has a key role to play in ensuring the Board procedures and statutory compliances are properly followed. A certificate from the Company Secretary indicating the compliance of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been annexed to this report.
14. During the year from April 1, 2022 to March 31, 2023, the Company has not received any complaint under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. At the end of March 31, 2023, no complaint was pending for redressal.
- 15 Management Discussion and Analysis Report** - The Management Discussion and Analysis has been discussed in detail separately in this Annual Report.
16. Other disclosures as required SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been given at relevant places in the Annual Report.
17. The Company has fully complied with the applicable requirements specified in Reg. 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46.
- 18 There has been no instance of non-compliance of any requirement of Corporate Governance Report.

## INFORMATION TO SHAREHOLDERS

### 1. REGISTERED AND CORPORATE OFFICE

#### Registered Office

S-550-551 School Block Part-2,  
Welcome Plaza, Shakarpur Delhi  
Phone: +91-120-416-2100

#### Corporate Office

C-504, ATS Bouquet, Sector-132,  
Noida, U.P. 201305  
Phone: +91-120-416-2100

### 2. FINANCIAL CALENDAR

The following is the tentative schedule for approval of financial results:

Financial reporting for the quarter ending June 30, 2023	August 2023
Financial reporting for the quarter ending September 30, 2023	November 2023
Financial reporting for the quarter ending December 31, 2023	February 2024
Financial reporting for the quarter ending March 31, 2024	May 2024

### 3. WEBSITE

The address of the company's website is [www.sharikaindia.com](http://www.sharikaindia.com)

### 4. DIVIDEND PAYMENT DATE

The Board has not recommended any Final Dividend for the Financial Year 2022-2023.

### 5. LISTING ON STOCK EXCHANGES

Company's shares are currently listed on the Bombay Stock Exchanges Ltd. (Stock Code 540786).

### 6. INTERNATIONAL SECURITIES IDENTIFICATION NUMBER (ISIN)

ISIN is a unique identification number of traded scrips. This number has to be quoted in each transaction relating to the dematerialized equity shares of the company. The ISIN number of the shares of Sharika Enterprises Ltd. is INE669Y01022.

### 7. ANNUAL LISTING FEE

Annual Listing Fee for the year 2022-23 has been paid to Bombay Stock Exchange. There are no arrears of listing fees with the Bombay Stock Exchange Limited till date.



## 8. DEMAT

Your Company's equity shares can be traded on the Stock Exchanges only in dematerialized form with effect from April 01, 2022. To trade in dematerialized form, investors are required to open a Demat account with Depository participant of their choice. Equity shares of your Company are available for trading in the depository systems, of both the Depositories viz. The National Securities Depositories Limited (NSDL) and the Central Depositories Service (India) Limited (CDSL). 100% of equity share capital (4,33,00,000 equity shares) has been dematerialized as on 31st March, 2023.

## 9. SHARE TRANSFER SYSTEM

To expedite the process of share transfers the Board has delegated the power of share transfer to Alankit Assignments Limited viz. Registrar and Share Transfer Agents who will attend to the share transfer formalities at least once in a fortnight. Share transfer in physical form and other communication regarding share certificate, change of address, etc may be addressed at:

**M/s Skyline Financial Services Private Limited**  
**Address: D-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110 020**  
**Ph: 011 40450193-97**  
**Contact Person: Mr. Sarvesh Singh**

## 10. ADDRESS FOR CORRESPONDENCE:

- i. Investors' Correspondence may be addressed to the Following:

**Company Secretary & Compliance Officer**  
**Sharika Enterprises Limited,**  
**e-mail: cs@sharikaindia.com**  
**C-504, ATS Bouquet, Sector-132,**  
**Noida, U.P. 201305**

- ii. Queries Relating to Financial Statement of the

company may be addressed to the following:

Mr. Garvita Asati  
Chief Financial officer  
Sharika Enterprises Limited,  
e-mail: cfo@sharikaindia.com  
Fax: 91-1792-277234

## 11. INVESTOR COMMUNICATION

The Company publishes quarterly audited results in Financial Express and Himachal Dastak (Hindi). The information relating to the company results is also available on other major financial and capital market related websites.

The Company ensures that its Financial Results are sent to the concerned Stock Exchanges immediately after the same has been considered and taken on record by the Board of Directors. The Company also ensures that these Results are promptly and prominently displayed on the Company's website www.sharikaindia.com

## 12. DISCLOSURE ON LEGAL PROCEEDINGS

There is no pending case relating to any disputes with shareholders, in which the company has been made a party.

## 13. OUTSTANDING STOCK OPTION

There are no outstanding warrants or convertible instruments or stock options to employees as on March 31, 2023.

## 14. ANALYSIS OF SHAREHOLDERS' COMPLAINTS RECEIVED DURING 2022-23

The Company generally clears the investors' complaints within a period of 7 days from the date of receipt. All the complaints received during the year have been replied.

There was nil complaint received and replied/ disposed off during the year 2022-23.



## 15. SHARE PERFORMANCE CHART

Stock price on the Bombay Stock Exchange on the closing date of month of financial year 2022-23:

Month	Share Price (Rs.)	High (Rs.)	Low (Rs.)	No. of Shares traded
April 2022	15.55	18.83	14.21	3882680
May 2022	12.60	16.30	11.65	1790074
June 2022	10.00	12.85	9.42	1625588
July 2022	10.63	12.15	10.00	1444809
Aug. 2022	9.33	11.31	8.95	1789288
Sept.2022	8.05	11.00	7.75	2122892
Oct. 2022	7.72	8.40	7.16	1105901
Nov. 2022	7.38	8.15	7.00	1333155
Dec. 2022	7.25	7.80	6.21	1045742
Jan. 2023	6.23	7.49	5.51	651230
Feb. 2023	5.95	6.90	4.84	991439
March 2023	4.61	6.05	4.21	1533266
<b>TOTAL</b>	-	-	-	<b>20361806</b>

## 16. DISTRIBUTION OF SHAREHOLDING AS ON 31st MARCH, 2023

Following tables give the data on shareholding according to types of shareholders and class of shareholders.

### Distribution of the shareholdings according to type of shareholders

Particulars	31 <sup>st</sup> March, 2022		31 <sup>st</sup> March, 2023	
	Number of Shares	% Holding	Number of Shares	% Holding
Promoters	2,38,85,888	55.16	2,38,85,888	55.16
Person acting in concert	43,42,640	10.03	43,42,640	10.03
Institutional Investors	0	0	0	0
Others	1,50,71,472	34.81	1,50,71,472	34.81
Total	4,33,00,000	100	4,33,00,000	100



**Distribution of shareholding according to the number of shares held on March 31, 2022 & March 31, 2023**

Particulars		As on 31 <sup>st</sup> March, 2022				As on 31 <sup>st</sup> March, 2023			
S. No.	No. of equity shares held	No. of share holders	% of Total holder	No. of Shares	% of share capital	No. of Share-holders	% of Total holders	No. of Shares	% of share capital
1	Up to 5000	13377	96.78	5816473	13.43	11506	95.37	6078467	14.04
2	5001 to 20000	353	2.55	3418051	7.89	458	3.79	4397738	10.16
3	20001 to 30000	33	0.24	849445	1.96	36	0.30	886551	2.05
4	30001 to 40000	21	0.15	750903	1.73	18	0.15	623785	1.44
5	40001 to 50000	10	0.07	452783	1.05	13	0.11	591382	1.37
6	50001 to 100000	15	0.11	1026318	2.37	20	0.17	1413460	3.26
7	100001 and above	13	0.09	30986027	71.56	13	0.11	29308617	67.69
	Total	13822	100	43300000	100	12064	100	43300000	100



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**CERTIFICATE IN PURSUANT TO REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 FOR THE YEAR ENDED 31ST MARCH, 2023.**

We, the undersigned hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
  - 1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - 2. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify such deficiencies.
- (d) We have indicated to the auditors and the Audit committee
  - 1. Significant changes in internal control over financial reporting during the year;
  - 2. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - 3. Instance of significant fraud, if any, of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**RAJINDER KAUL**  
**MANAGING DIRECTOR**

**GARVITA ASATI**  
**CHIEF FINANCIAL OFFICER**

Place: Noida

Date: August 10, 2023



**ANNUAL DECLARATION OF COMPLIANCE OF CODE OF CONDUCT BY MD**

To,

The Board of Directors  
Sharika Enterprises Limited  
550-551, School Block Part-2,  
Welcome Plaza, Shakarpur, Delhi- 110092

1. The Code of Conduct has been laid down for all the Board members and senior management and other employees of the Company.
2. The Code of Conduct is posted on website of the Company.
3. The Board members and senior management personnel have affirmed compliance with the code of conduct for the year 2022-23.

PLACE: Noida  
DATE: August 10, 2023

**Rajinder Kaul**  
Managing Director





## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SHARIKA ENTERPRISES LIMITED

### Report on the Audit of the Standalone Ind AS Financial Statements Opinion

We have audited the accompanying standalone Ind AS financial statements of **SHARIKA ENTERPRISES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, (including the statement of Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows for the year ended and notes to financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its net loss including other comprehensive income, its changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

- a) We are unable to verify physical inventories due to the size and nature of inventories and we are also unable to satisfy ourselves by alternative audit procedures concerning the inventories held at 31 March, 2023. We have therefore relied on the information, explanations and other documents including physical verification report for inventory held at local sites, provided by the Management. However, as explained by Management, physical verification of Inventories held at other sites has been conducted at reasonable intervals of some of the items of Inventory and no material discrepancies were observed.

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

- b) Balances of trade receivables, trade payables, and advances and deposits given by the Company and parties from whom unsecured loans have been taken are subject to confirmations and adjustments, if any, required upon such confirmations are not ascertainable and hence not provided for. As explained by the management, majority of the customers are government entities and as per the industry trends, it is very difficult to get confirmations from them.

Our opinion is not modified in respect of above matters.

### Information Other than the Standalone Ind AS Financial Statements and Auditor's Report Thereon

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does



not include the standalone Ind AS financial statements and our auditor's report thereon.

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

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

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

### **Management's Responsibility and those charged with governance for the Standalone Ind AS Financial Statements**

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs as evidence by financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error

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

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

### **Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in



place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

## Report on Other Legal and Regulatory Requirements

### 1. As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained, subject to key audit matters, all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including other Comprehensive income, the statement of changes of equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015.
- e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.



- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”.
- g) With respect to the other matters to be included in the Auditors’ Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has properly disclosed the impact of pending litigations on its financial position in its financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that there presentations under sub-clause (a) and (b) contain any material misstatement.
  - v. No Dividend has been declared or paid during the year by the company.
2. As required by the Companies (Auditor’s Report) Order, 2020 (“the Order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

**Dheeraj Wadhwa**  
Partner  
Membership No. 091143  
UDIN: 23091143BGZBAD9040  
Place: New Delhi Date: 25 May 2023



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

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

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

We have audited the internal financial controls over financial reporting of **SHARIKA ENTERPRISES LIMITED** ("the Company") as of March 31, 2023, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial control system with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance note").

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

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

#### **Auditors' Responsibility**

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

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

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



### **Meaning of Internal Financial Controls with reference to Financial Statements**

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

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 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 Issued by Chartered Accountants of India (ICAI).

### **For WDK & ASSOCIATES**

Chartered Accountants FRN: 016389N

### **Dheeraj Wadhwa**

Partner

Membership No.091143

UDIN: 23091143BGZBAD9040

Place: New Delhi Date: 25 May 2023



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### Annexure - B to the Auditors' Report

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

- (i) In respect of the Company's Property Plants and Equipment and Intangible Assets:
- (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of the Property Plant & Equipment's.
  - (B) The Company has no intangible assets.
  - (b) According to the information and explanations given to us, some of the items of Property Plant & Equipment's of the company have been physically verified during the year under audit by the Management in accordance with a phased manner programme of verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
  - (c) According to the information and explanations given to us, the title deeds of immovable properties are held in the name of the Company.
  - (d) The Company has not revalued any of its Property Plant and equipment's during the year.
  - (e) Based on information and explanation furnished to us, no proceedings have been initiated during the year or are pending against the company as at March 31, 2023 for holding any Benami Property under Prohibition of Benami Property transaction Act, 1988 and rules made thereunder.
- (ii) (a) We are unable to verify physical inventories due to the size and nature of inventories and we are also unable to satisfy ourselves by alternative audit procedures concerning the inventories held at 31st March, 2023. We have therefore relied on the information, explanations and other documents including physical verification report for inventory held at local sites, provided by the Management. However, as explained by Management, physical verification of Inventories held at other sites has been conducted at reasonable intervals of some of the items of Inventory and no material discrepancies were observed.
- As per the accounting policy of the Company, the Company is valuing its inventories at lower of cost and net realizable value. Since proper inventory records are not maintained, exact cost is not ascertainable, and therefore the impact if any, on account of valuation of inventories on basis of actual cost is not quantifiable and provided for.
- (b) The Company has been sanctioned working capital limits in excess of five crores rupees, in aggregate from banks and/or financial institution's on the basis of security of current assets during the year. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions except 4th quarter, are not in agreement with the books of accounts of the Company and further amount as per returns submitted with lenders are not matching with value as per books of accounts. Reconciliation of variance and figures submitted with lenders has been recorded.
- (iii) On the basis of our examination of the books of accounts and records, the company has made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.





- (a) Based on the examination of the books of accounts and records of the company, the company has provided loans or provided advances in the nature of loans or stood guarantee, or provided security to any other entity. The details of the same has been given below:

(Figure lakh)

Particulars	Guarantees	Security	Loans	Advances in nature of loan
Aggregate amount granted provided during the year				
- Subsidiaries	-	-	-	-
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
- Fellow Subsidiary	-	-	-	-
- Holding Company	-	-	-	-
- Others	-	-	-	-
Balance outstanding as at balance sheet date in respect of above cases:				-
- Subsidiaries	-	-	-	166.55
- Joint Ventures	-	-	-	-
- Associates	-	-	-	-
- Fellow Subsidiary	-	-	-	-
- Holding Company	-	-	-	-
Others	-	-	10.00	253.00

- (b) Based on the examination of the books of accounts and records of the company, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest.
- (c) Based on the examination of the books of accounts and records of the company, the loans are repayable on demand and there is no stipulation of schedule of repayment of principal and repayment of interest accordingly we are unable to make specific comment on the regularity of repayment of principal and interest.
- (d) Based on the information provided by the management, the loans are repayable on demand and hence paragraph 3(iii)(d) is not applicable.
- (e) Based on the information provided by the management, the loans are repayable on demand and hence paragraph 3(iii)(e) is not applicable.



- (f) Based on the examination of the books of accounts and records of the company, the company has granted loans repayable on demand or without specifying any terms or period of repayment. The details of the same are given below:

(Figure lakh)

	All Parties	Promoters	Related parties
The aggregate amount of loans/advances In nature of loans			
- Repayable on demand (A)	-	-	-
- Agreement does not specify any terms or period of repayment (B)	263.00	-	166.55
<b>Total (A+B)</b>	<b>263.00</b>	<b>-</b>	<b>166.55</b>
Percentage of loans/ advances in nature of loans to the total loans	61.22%	-	38.77%

- (iv) In our opinion and according to the information and explanations given to us, the Company has Complied with the provisions of Section 185 & 186 of the Act in respect of grant of loans and investments made. The loans given are to the joint venture and wholly owned subsidiary Company. However, in the absence of any formal agreement, no interest has been recovered or accrued on the loans given.
- (V) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified during the year.
- (vi) According to the information and explanations given to us, the company is not liable to maintain cost records as under section 148 of the Act.
- (vii) (a) According to the information and explanations given to us and records of the company examined by us, the company has been regular in depositing undisputed statutory dues including Goods & Service Tax, Provident fund, Employees' State Insurance, Income-tax, duty of custom, duty of excise, Cess and other statutory dues (as may be applicable) with the appropriate authorities. However following demands being undisputed are pending for than six months as on 31/03/2023.

Nature of dues	Period (Assessment Year) to which the Amount relates	Undisputed Amount (Figure's in lakhs ?)
Income Tax Demand	2021	0.53
Income Tax Demand	2019	2.14
Income Tax Demand	2020	4.39

- (viii) According to the information and explanations given to us, and the records of the Company examined by us, there are no dues which have not been deposited on account of a dispute for the particulars of statutory dues referred to in sub-clause (a) as at March 31, 2023.
- (ix) According to the information and explanations given to us and on the basis of our examination of records of the company, the company has not surrendered or disclosed any transactions, previously unrecorded as income in books of accounts, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (a) According to the information and explanations given to us, the Company has not defaulted re-



- payment of loans taken from the banks.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
  - (c) According to the information and explanations given to us, the Company has taken fresh term loan during the year. The term loans have been applied for the purposes for which they were obtained.
  - (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
  - (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.
  - (f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiary.
- (x) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
  - (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year. No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.  
(b) As represented to us by the management, there are no whistle blower complaints received by the company during the year.
  - (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
  - (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
  - (xiv) According to the information and explanations given to us the Company has an adequate internal audit system that commensurate with the size and the nature of its business.
  - (xv) In our opinion during the year the company has not entered into non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the companies act, 2013 are not applicable to the company.
  - (xvi) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
  - (xvii) Based on our examination of the records of the Company, the Company has incurred cash losses amounting to Rs. 260.88 lakhs during the financial year. There is no cash loss in the immediately preceding financial year respectively.
  - (xviii) There has been no resignation of the statutory auditors of the Company during the year. Accordingly, clause 3(xviii) of the order is not applicable.
  - (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall



due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) Clauses 3(xx)(b) of the order are not applicable as Company did not fall under any criteria prescribed under section 135 of the act. In our opinion and according to the explanation given to us, there is no unspent amount under sub-section (5) of section 135 of the act pursuant to any project.

**For WDK & ASSOCIATES**

Chartered Accountants FRN: 016389N

**Dheeraj Wadhwa**

Partner

Membership No.091143

UDIN: 23091143BGZBAD9040

Place: New Delhi Date: 25 May 2023



**Standalone Balance Sheet as at 31 March 2023**

(₹ in Hundreds)

Particulars	Note No.	As at 31 March 2023	As at 31 March 2022
<b>ASSETS</b>			
<b>Non current assets</b>			
a) Property, plant and equipment	3	3,51,989.66	4,00,195.48
(b) Capital work-in-progress	3A	3,05,454.71	-
(c) Right of use assets	4	37,161.29	-
(d) Financial assets			
(i) Investments	5	14,722.12	14,722.12
(ii) Loans	6	10,000.00	1,54,518.95
(iii) Other financial assets	7	9,332.92	1,43,442.82
(e) Deferred tax assets (net)	8	19,431.04	15,698.37
(f) Other non-current assets	9	34,735.34	7,88,153.65
<b>Total non current assets</b>		<b>7,82,827.08</b>	<b>15,16,731.39</b>
<b>Current assets</b>			
(a) Inventories	10	8,66,537.66	10,64,608.96
(b) Contract Assets	11	1,76,940.00	-
(c) Financial assets			
(i) Trade receivables	12	21,68,007.31	28,23,240.87
(ii) Cash and cash equivalents	13	24,178.24	7,037.69
(iii) Bank balances other than (ii) above	13	1,31,203.11	-
(iv) Loans	14	4,20,177.63	4,49,303.34
(v) Other financial assets	15	92,526.21	1,91,368.61
(d) Current tax assets	16	12,860.54	71,441.37
(e) Other current assets	17	1,74,689.66	1,930.63
<b>Total current assets</b>		<b>40,67,120.36</b>	<b>46,08,931.47</b>
<b>Total assets</b>		<b>48,49,947.44</b>	<b>61,25,662.86</b>
<b>EQUITY &amp; LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	18	21,65,000.00	21,65,000.00
(b) Other equity	19	2,35,211.49	5,43,237.58
<b>Total equity</b>		<b>24,00,211.49</b>	<b>27,08,237.58</b>
<b>Non - current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	20	4,44,737.12	7,70,091.77
(ii) Lease liabilities	21	25,374.34	-
(b) Long term provisions	22	52,945.24	2,10,601.43
<b>Total non - current liabilities</b>		<b>5,23,056.70</b>	<b>9,80,693.20</b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	23	7,19,115.49	5,69,187.26
(ii) Trade payables			
(A) Total outstanding dues of micro and small enterprises	24	1,300.94	78,202.98
(B) Total outstanding dues of creditors other than micro and small enterprises	24	7,33,279.56	12,69,515.46
(iii) Lease liabilities	25	12,908.69	-
(iv) Other financial liabilities	26	3,31,881.26	-
(b) Other current liabilities	27	1,23,555.73	4,79,706.38
(c) Provisions	28	4,637.58	7,745.58
(d) Current tax liabilities	29	-	32,374.42
<b>Total current liabilities</b>		<b>19,26,679.25</b>	<b>24,36,732.08</b>
<b>Total liabilities</b>		<b>24,49,735.95</b>	<b>34,17,425.28</b>
<b>Total equity and liabilities</b>		<b>48,49,947.44</b>	<b>61,25,662.86</b>

The accompanying notes form an integral part of financial statements

As per our Report of even date attached

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

**Dheeraj Wadhwa**  
(Partner)  
Membership No. 091143  
UDIN - 23091143BGZBAD9040

Date : 25/05/2023  
Place : Noida

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

**Rajinder Kaul**  
Managing Director  
DIN - 01609805

**Garvita Asati**  
Chief Financial Officer

**Sanjay Verma**  
Executive Director  
DIN-08139841

**Aditya Sharma**  
Company Secretary



**Standalone Statement of Profit And Loss for the year ended 31 March 2023**

(₹ in Hundreds)

Particulars	Note No.	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Income:</b>			
Revenue from operations	30	50,36,604.65	39,17,620.50
Other income	31	35,383.99	45,036.47
<b>Total income</b>		<b>50,71,988.64</b>	<b>39,62,656.97</b>
<b>Expenses:</b>			
Cost of material consumed	32	38,95,342.51	32,43,871.76
Change in inventories	35A	1,98,071.30	-2,91,064.52
Employee benefit expenses	33	3,61,161.54	4,68,300.55
Finance cost	34	1,55,229.25	1,52,027.53
Depreciation and amortisation	35	33,242.11	32,363.23
Other expenses	36	7,23,068.39	2,55,543.83
<b>Total expenses</b>		<b>53,66,115.10</b>	<b>38,61,042.38</b>
<b>Profit before exceptional items and taxes</b>		<b>(2,94,126.46)</b>	<b>1,01,614.59</b>
Exceptional items		-	-
<b>Profit before tax</b>		<b>(2,94,126.46)</b>	<b>1,01,614.59</b>
<b>Tax expenses</b>	37		
Current tax		-	32,374.42
Deferred tax		9,237.00	(14,474.32)
Income tax of earlier years		-	-
		<b>9,237.00</b>	<b>17,900.10</b>
<b>Profit for the year</b>		<b>(3,03,363.46)</b>	<b>83,714.49</b>
<b>Other comprehensive income</b>			
Items not to be reclassified subsequently to profit or loss			
Re-measurement gains/(losses) on defined benefit plans		(777.31)	(3,916.25)
Income tax effect on above		195.63	1,018.23
<b>Other comprehensive income</b>		<b>(581.68)</b>	<b>(2,898.02)</b>
<b>Total comprehensive income for the year</b>		<b>(3,03,945.14)</b>	<b>80,816.47</b>
Earnings per equity shares of nominal value of	38		
Basic		(0.70)	0.19
Diluted		(0.70)	0.19

The accompanying notes form an integral part of financial statements.

As per our Report of even date attached

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

**Dheeraj Wadhwa**  
(Partner)  
Membership No. 091143  
UDIN - 23091143BGZBAD9040

Date : 25/05/2023  
Place : Noida

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

**Rajinder Kaul**  
Managing Director  
DIN - 01609805

**Garvita Asati**  
Chief Financial Officer

**Sanjay Verma**  
Executive Director  
DIN-08139841

**Aditya Sharma**  
Company Secretary



**Standalone Cash Flow Statement for the year ended 31 March 2023** (₹ in Hundreds)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>A. Cash Flow from Operating Activities</b>		
Profit/ (loss) during the year	(3,03,363.46)	83,714.49
Adjustments to reconcile net profit to net cash provided by operating activities:		
Depreciation and amortisation	33,242.11	32,363.23
Interest income	(10,973.26)	(6,836.66)
Finance cost	1,55,229.25	1,52,027.53
<b>Operating profit before changes in operating Assets &amp; liabilities</b>	<b>(1,25,865.36)</b>	<b>2,61,268.59</b>
<b>Adjustments for:</b>		
Decrease in Loans	1,73,644.66	3,19,886.53
Decrease / (Increase) in Inventories	1,98,071.30	(2,91,064.52)
(Increase) in other Current Assets	(1,72,759.03)	(1,071.49)
(Decrease) in Trade payables	(6,13,137.94)	(4,78,869.53)
Decrease / (Increase) in Trade receivables	6,55,233.56	(2,51,856.13)
Decrease in Other Non Current Assets	7,53,418.31	3,68,663.85
(Decrease) in other Non Current Liability	-	(5,906.62)
(Increase) in Contract assets	(1,76,940.00)	-
Decrease in other financial assets	95,061.13	-
Increase in other financial liabilities	3,70,164.29	-
(Decrease) in other Current Liability	(3,56,150.65)	(25,344.93)
(Decrease) in provisions	(1,60,764.19)	(65,363.85)
<b>Cash generated from / (used in) operation</b>	<b>6,39,976.08</b>	<b>(1,69,658.10)</b>
Income tax	17,811.11	39,039.16
<b>Net cash inflow / (outflow) from operating activities (A)</b>	<b>6,57,787.19</b>	<b>(2,08,697.26)</b>
<b>B. Cash Flow From Investing Activities</b>		
Sale / Disposal of property, plant and equipment's	-	423.73
Purchase of property, plant and equipment's including CWIP	(3,27,652.29)	(244.67)
Interest received	10,973.26	6,836.66
Investments	-	36,204.99
Redemption of fixed deposits	6,688.06	82,351.07
<b>Net cash (outflow) / Inflow from investing activities (B)</b>	<b>(3,09,990.97)</b>	<b>1,25,571.78</b>
<b>C. Cash Flow From Financing Activities</b>		
(Repayment of ) / proceeds from borrowings	(1,75,426.42)	2,11,606.62
Finance cost paid	(1,55,229.25)	(1,52,027.53)
<b>Net Cash (outflow) / Inflow from financing activities (C)</b>	<b>(3,30,655.67)</b>	<b>59,579.09</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>17,140.55</b>	<b>(23,546.39)</b>
Cash & Cash Equivalents at the beginning of the year	7,037.69	30,584.08
<b>Closing Cash &amp; Cash Equivalents</b>	<b>24,178.24</b>	<b>7,037.69</b>
<b>Reconciliation of Cash &amp; Cash Equivalents</b>		
Cash and Cash Equivalents as per Balance Sheet	24,178.24	7,037.69
<b>Cash and Cash equivalents as at the end of the year</b>	<b>24,178.24</b>	<b>7,037.69</b>

**Notes:-**

- The Cash Flow Statement has been prepared under the Indirect method as set out in Ind AS-7 'Statement of Cash Flows'.
- Previous year's figures are reclassified/regrouped to confirm and make them comparable with those of the current year.

As per our Report of even date attached

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

**Dheeraj Wadhwa**  
(Partner)  
Membership No. 091143  
UDIN - 23091143BGZBAD9040

Date :25/05/2023  
Place : Noida

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

**Rajinder Kaul**  
Managing Director  
DIN - 01609805

**Garvita Asati**  
Chief Financial Officer

**Sanjay Verma**  
Executive Director  
DIN-08139841

**Aditya Sharma**  
Company Secretary





**Statement of changes in equity for the year ended 31 March 2023**

**A. Equity share capital**

**Balance as at 31 March 2023** (₹ in Hundreds)

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
21,65,000.00	-	21,65,000.00	-	21,65,000.00

**Balance as at 31 March 2022**

(₹ in Hundreds)

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
10,82,500.00	-	10,82,500.00	10,82,500.00	21,65,000.00

**B. Other equity**

(₹ in Hundreds)

Particulars	Reserves and surplus			Total
	General reserve	Securities premium reserve	Retained earnings	
<b>Balance as at 1 April 2021</b>	<b>10,000.00</b>	<b>9,20,629.01</b>	<b>5,40,554.14</b>	<b>14,71,183.15</b>
<b>Additions during the year:</b>				
Profit/(Loss) for the year	-	-	83,714.49	83,714.49
Others	-	-	73,737.98	73,737.98
Other comprehensive income for the year, net of income tax	-	-	(2,898.03)	(2,898.03)
Shares issued		(9,20,629.01)	(1,61,870.99)	(10,82,500.00)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>(9,20,629.01)</b>	<b>(7,316.55)</b>	<b>(9,27,945.56)</b>
<b>Balance as at 31 March 2022</b>	<b>10,000.00</b>	<b>-</b>	<b>5,33,237.59</b>	<b>5,43,237.59</b>
<b>Additions during the year:</b>				
Profit/(Loss) for the year	-	-	(3,03,363.46)	(3,03,363.46)
Others	-	-	(4,080.96)	(4,080.96)
Other comprehensive income for the year, net of income tax	-	-	<b>(581.68)</b>	<b>(581.68)</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>(3,08,026.10)</b>	<b>(3,08,026.10)</b>
<b>Balance as at 31 March 2023</b>	<b>10,000.00</b>	<b>-</b>	<b>2,25,211.49</b>	<b>2,35,211.49</b>

As per our Report of even date attached

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

**Dheeraj Wadhwa**  
(Partner)  
Membership No. 091143  
UDIN - 23091143BGZBAD9040

Date : 25/05/2023  
Place : Noida

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

**Rajinder Kaul**  
Managing Director  
DIN - 01609805

**Garvita Asati**  
Chief Financial Officer

**Sanjay Verma**  
Executive Director  
DIN-08139841

**Aditya Sharma**  
Company Secretary



**Note 3 : Property, plant & equipment**

Particulars	Land	Plant & Machinery	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Building	Total
Balance as at 1 April 2021	2,33,680.77	25,107.32	3,920.26	54,598.27	2,470.29	8,049.89	1,48,836.05	4,76,662.85
Additions	-	244.67	-	-	-	-	-	244.67
Disposals	-	-	-	423.73	-	-	-	423.73
Adjustments	-	-	-	-	-	-	-	-
Balance as at 31 March 2022	2,33,680.77	25,351.99	3,920.26	54,174.54	2,470.29	8,049.89	1,48,836.05	4,76,483.79
Additions	-	-	-	-	338.45	1,058.45	74,338.65	75,735.55
Disposals	-	-	-	-	-	-	-	-
Adjustments	97,375.00	-	-	-	-	-	-	97,375.00
Balance as at 31 March 2023	1,36,305.77	25,351.99	3,920.26	54,174.54	2,808.74	9,108.34	2,23,174.70	4,54,844.34
Accumulated Depreciation								
Balance as at 1 April 2021	-	4,304.81	427.04	19,596.02	1,628.57	3,062.27	14,906.37	43,925.08
Depreciation for the Year	-	3,535.54	301.01	12,425.31	586.01	2,109.96	13,405.40	32,363.23
Disposals	-	-	-	-	-	-	-	-
Balance as at 31 March 2022	-	7,840.35	728.05	32,021.33	2,214.58	5,172.23	28,311.77	76,288.31
Depreciation for the Year	-	3,793.15	616.72	7,882.06	323.42	1,609.09	12,341.93	26,566.37
Disposals	-	-	-	-	-	-	-	-
Balance as at 31 March 2023	-	11,633.50	1,344.77	39,903.39	2,538.00	6,781.32	40,653.70	1,02,854.68
Net Book Value								
Balance as at 31 March 2023	1,36,305.77	13,718.49	2,575.49	14,271.15	270.74	2,327.02	1,82,521.00	3,51,989.66
Balance as at 31 March 2022	2,33,680.77	17,511.64	3,192.21	22,153.21	255.71	2,877.66	1,20,524.28	4,00,195.48

Assets mortgaged/pledged as security for borrowings are as under:

Particulars	31 March 2023	31 March 2022
Carrying amounts of:		
Land	1,36,305.77	2,33,680.77
Building	1,82,521.00	1,20,524.28
<b>Total</b>	<b>3,18,826.77</b>	<b>3,54,205.05</b>

**Note:-**

There are no immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) whose title deeds are not held in the name of the Company.



**Note 3A Capital work-in-progress**

**Capital work-in-progress (CWIP) as at 31 March 2023**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
Projects in progress	3,05,454.71	-	-	-	3,05,454.71
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>3,05,454.71</b>	-	-	-	<b>3,05,454.71</b>

**Capital work-in-progress (CWIP) as at 31 March 2022**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

There is no project under CWIP where completion is overdue. Further there is no project which has exceeded in cost compare to its original plan.

**Note 4 Right of use of assets**

Particulars	Amount
<b>Gross Block</b>	
<b>As at 1 April 2021</b>	-
Add: Additions	-
Less: Disposals/adjustments	-
<b>As at 31 March 2022</b>	-
Add: Additions	43,837.03
Less: Disposals/adjustments	-
<b>As at 31 March 2023</b>	<b>43,837.03</b>
<b>Accumulated depreciation</b>	
<b>As at 1 April 2021</b>	-
Charge for the period	-
Less: Disposals/adjustments	-
<b>As at 31 March 2022</b>	-
Charge for the period	6,675.74
Less: Disposals/adjustments	-
<b>As at 31 March 2023</b>	<b>6,675.74</b>
<b>Net carrying amount</b>	
<b>As at 31 March 2022</b>	-
<b>As at 31 March 2023</b>	<b>37,161.29</b>

**Note 5 Non - current investments**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Financial assets carried as cost:</b>		
<b>Investments in equity instruments (unquoted, fully paid up)</b>		
Equity shares - Sharika Lightec Pvt. Ltd.	14,722.12	14,722.12
<b>Total</b>	<b>14,722.12</b>	<b>14,722.12</b>



**Note 6 Loans** (₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Inter corporate loans - related party	-	1,44,518.95
Inter corporate loans	10,000.00	10,000.00
<b>Total</b>	<b>10,000.00</b>	<b>1,54,518.95</b>

**Note 7 Other financial assets - non current** (₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Bank deposits with maturity for more than 12 months	5,248.68	1,43,442.82
Interest accrued on bank deposits	302.97	-
Security Deposit	3,781.27	-
<b>Total</b>	<b>9,332.92</b>	<b>1,43,442.82</b>

**Note:**

Bank deposits are provided as margin money against bank guarantees provided by the Company to its customers and National Small Industries Corporation.

**Note 8 Deferred tax assets** (₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Property, plant and equipments, Intangible assets and right of use assets	14,573.67	15,698.37
Lease Liabilities	(9,635.07)	-
Others	14,492.44	-
<b>Total</b>	<b>19,431.04</b>	<b>15,698.37</b>

**Note 9 Other non current assets** (₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Security deposit	-	7,423.87
Deferred revenue expenditure	34,735.34	51,538.95
Deposit	-	2,40,124.93
Non Current Assets recoverable	-	2,24,696.00
Recoverable Duties & Taxes from Government	-	50,466.81
Duties and Taxes	-	2,13,903.09
<b>Total</b>	<b>34,735.34</b>	<b>7,88,153.65</b>



**Note 10 Inventories**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Finished goods	8,66,537.66	10,64,608.96
<b>Total</b>	<b>8,66,537.66</b>	<b>10,64,608.96</b>

**Note 11 Contract assets**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Unbilled revenue</b>		
Considered good	1,76,940.00	-
<b>Total</b>	<b>1,76,940.00</b>	<b>-</b>

**Note 12 Trade receivables**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Unsecured:</b>		
Considered good	21,68,007.31	28,23,240.87
Credit impaired	-	-
	<b>21,68,007.31</b>	<b>28,23,240.87</b>
Less: Impairment allowance	-	-
<b>Total</b>	<b>21,68,007.31</b>	<b>28,23,240.87</b>

**Note 13 Cash and bank balances**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>A) Cash &amp; cash equivalents</b>		
(I) Cash on hand	3,330.52	6,280.96
(II) Balances with Banks		
(i) In Current account	20,847.72	756.73
<b>Sub total</b>	<b>24,178.24</b>	<b>7,037.69</b>
<b>B) Other bank balances</b>		
Deposits with remaining maturity more than 3 months and less than 12 months	1,31,203.11	-
<b>Sub total</b>	<b>1,31,203.11</b>	<b>-</b>
<b>Total</b>	<b>1,55,381.35</b>	<b>7,037.69</b>

**Note:**

Bank deposits are provided as margin money against bank guarantees provided by the Company to its customers and National Small Industries Corporation.



**Note 14 Loans - Current**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Inter corporate loans and other advances	2,53,624.83	53.56
Inter corporate loans - related party	1,66,552.80	-
Advance to Suppliers	-	2,72,572.36
Advance to employees	-	1,76,677.42
<b>Total</b>	<b>4,20,177.63</b>	<b>4,49,303.34</b>

**Note 15 Other financial assets - current**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Earnst money deposit	88,168.71	1,85,802.23
Others	-	5,566.38
Interest Accrued on Bank Deposits	4,357.50	-
<b>Total</b>	<b>92,526.21</b>	<b>1,91,368.61</b>

**Note 16 Other current assets**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Prepaid expenses	6,797.42	1,930.63
Duties and Taxes	9,300.68	-
Other current assets	1,58,591.56	-
<b>Total</b>	<b>1,74,689.66</b>	<b>1,930.63</b>

**Note 17 Current tax assets (net)**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Current tax assets	12,860.54	71,441.37
<b>Total</b>	<b>12,860.54</b>	<b>71,441.37</b>

**Note 18 Share Capital**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>(a) Authorised</b>		
Equity Shares Rs. 5/- par value 4,40,00,000 (as at 31 March 2022: 4,40,00,000) Equity shares	22,00,000.00	22,00,000.00
<b>Total</b>	<b>22,00,000.00</b>	<b>22,00,000.00</b>
<b>(b) Issued</b>		
Equity Shares Rs. 5/- par value 4,33,00,000 Equity shares fully paid (as at 31 March 2022 : 4,33,00,000 Equity Share of Rs. 5/- each)	21,65,000.00	21,65,000.00
<b>Total</b>	<b>21,65,000.00</b>	<b>21,65,000.00</b>



<b>(c) Subscribed and fully paid up</b>		
Equity Shares Rs. 5/- par value		
4,33,00,000 Equity shares fully paid (as at 31 March 2022 : 4,33,00,000 Equity Share of Rs. 5/- each)	21,65,000.00	21,65,000.00
<b>Total</b>	<b>21,65,000.00</b>	<b>21,65,000.00</b>

**18.1 Reconciliation of the number of equity shares and share capital : (₹ in Hundreds)**

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	Amount	No. of Shares	Amount
Equity capital outstanding at the beginning of the year	4,33,00,000	21,65,000.00	2,16,50,000	10,82,500.00
Add: Shares issued during the year	-	-	2,16,50,000	10,82,500.00
Equity capital outstanding at the end of the year	<b>4,33,00,000</b>	<b>21,65,000.00</b>	<b>4,33,00,000</b>	<b>21,65,000.00</b>

**18.2 Terms / rights attached to equity shares**

The Company has only one class of Equity Shares having a par value of Rs. 5 per share. Each shareholders is eligible for one vote per share held.

In the event of liquidation of the Company, the holders of equity shares will be entitle to receive any of the remaining assets of the Company, after distribution of preferential amount, if any. The distribution will in proportion of the number of equity shares held by the shareholders.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuring Annual General Meeting, except in case of interim dividend.

**18.3 Detail of shareholders holding more than 5% shares of the Company :**

Name Of Shareholder	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	Percentage	No. of Shares	Percentage
Rajinder Kaul	79,04,000	18%	79,04,000	18%
Ravinder Bhan	54,28,832	13%	54,28,832	13%
Arun Kaul	54,28,528	13%	54,28,528	13%
Sanjay Verma	43,42,640	10%	43,42,640	10%
Meghana Zutshi Kaul	21,71,472	5%	21,71,472	5%
<b>Total</b>	<b>2,52,75,472</b>		<b>2,52,75,472</b>	

**18.4 Details of Shares held by promoters and promoter group :**

Name of Shareholder	As at 31 March 2023	As at 31 March 2022	% change during the year
Rajinder Kaul	79,04,000	79,04,000	0%
Ravinder Bhan	54,28,832	54,28,832	0%
Arun Kaul	54,28,528	54,28,528	0%
Name of Shareholder	As at 31 March 2022	As at 31 March 2021	% change during the year
Rajinder Kaul	79,04,000	19,76,000	300%
Ravinder Bhan	54,28,832	13,57,208	300%
Arun Kaul	54,28,528	13,57,132	300%





**Note 19 Other equity**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
General reserve	10,000.00	10,000.00
Retained earnings	2,25,211.49	5,33,237.58
<b>Total</b>	<b>2,35,211.49</b>	<b>5,43,237.58</b>

**Note 19.1 General reserve**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance as at the beginning of the year	10,000.00	10,000.00
Add: Transferred from retained earnings	-	-
<b>Closing balance</b>	<b>10,000.00</b>	<b>10,000.00</b>

**Note 19.2 Retained earnings**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance as at the beginning of the year	5,33,237.58	5,40,554.14
Add: Profit / (loss) during the year	(3,03,363.46)	83,714.49
Add: Other comprehensive income arising from remeasurement of defined benefit obligation	(581.68)	(2,898.02)
Income tax for earlier years	(4,080.95)	73,737.97
Less : Bonus issue	-	(1,61,871.00)
<b>Closing balance</b>	<b>2,25,211.49</b>	<b>5,33,237.58</b>

**Nature and purpose of Reserves**

**General Reserve :**

General Reserve is used from time to time to transfer profits from Retained Earnings for appropriation purposes. As the General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in General Reserve will not be reclassified subsequently to Statement of Profit and Loss.

**Retained Earning :**

Retained Earnings are the profits of the Company earned till date net of appropriation.



**Note 20 Borrowings - Non current**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>(a) Secured</b>		
Term loan		
Bank	4,39,994.49	6,75,707.17
Vehicle loan	27,151.67	41,095.16
<b>(b) Unsecured</b>		
Term loan		
Bank	90,888.23	-
Other than banks	70,557.44	1,33,326.10
	<b>6,28,591.83</b>	<b>8,50,128.4</b>
Less: current maturities of long term borrowings	1,83,854.71	80,036.66
<b>Total</b>	<b>4,44,737.12</b>	<b>7,70,091.77</b>

Terms of Repayment - Refer

**Note 21 Lease liabilities**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Lease liabilities	25,374.34	
<b>Total</b>	<b>25,374.34</b>	<b>-</b>

**Note 22 Long term provisions**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Gratuity	44,868.69	40,927.37
Leave encashment	8,076.55	11,852.46
Others	-	1,57,821.60
<b>Total</b>	<b>52,945.24</b>	<b>2,10,601.43</b>

**Note 23 Borrowings - current**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>(A) Secured</b>		
<b>Loan Repayable on Demand</b>		
Cash credit with J&K Bank	3,33,778.74	2,66,883.11
Short term loan from NSIC Ltd	99,940.64	1,94,126.09
Current maturity of long term borrowings	1,83,854.71	80,036.66
<b>(B) Unsecured</b>		
Loan from related parties	1,01,541.40	28,141.40
<b>Total</b>	<b>7,19,115.49</b>	<b>5,69,187.26</b>
<b>Terms of Repayment</b>		



**Note 24 Trade payables**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Total outstanding dues of micro enterprises and small enterprises;	1,300.94	78,202.98
Total outstanding dues of creditors other than micro enterprises and small enterprises	7,33,279.56	12,69,515.46
<b>Total</b>	<b>7,34,580.50</b>	<b>13,47,718.44</b>

Trade Payables are subject to balance confirmation.

**Note 25 Lease Liabilities**

Particulars	As at 31 March 2023	As at 31 March 2022
Lease liabilities	12,908.69	-
<b>Total</b>	<b>12,908.69</b>	<b>-</b>

**Note 26 Other financial liabilities - current**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Employees payable	51,470.11	-
Capital creditor	2,36,596.48	-
Others payable	43,814.67	-
<b>Total</b>	<b>3,31,881.26</b>	<b>-</b>

**Note 27 Other current liabilities**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Tax deducted at source and other statutory dues	1,23,555.73	1,51,709.01
Advance from customer	-	2,29,943.66
Others payable	-	54,853.05
Salary payable	-	43,200.66
<b>Total</b>	<b>1,23,555.73</b>	<b>4,79,706.38</b>

**Note 28 Provisions - current**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Gratuity	3,913.39	2,987.04
Leave encashment	724.19	1,011.30
Others	-	3,747.24
<b>Total</b>	<b>4,637.58</b>	<b>7,745.58</b>

**Note 29 Current tax liabilities (net)**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Current tax liabilities	-	32,374.42
<b>Total</b>	<b>-</b>	<b>32,374.42</b>



<b>Note 30 Revenue from operations</b>		<b>(₹ in Hundreds)</b>	
<b>Particulars</b>	<b>Year ended 31 March 2023</b>	<b>Year ended 31 March 2022</b>	
Sale of products	37,65,750.91	28,33,875.73	
Rendering of services	11,98,922.37	10,83,744.77	
Reimbursement of customs clearance and related charges	71,931.37	-	
<b>Total</b>	<b>50,36,604.65</b>	<b>39,17,620.50</b>	

**Note 31 Other income** **(₹ in Hundreds)**

<b>Particulars</b>	<b>Year ended 31 March 2023</b>	<b>Year ended 31 March 2022</b>	
<b>Interest income on financial assets carried at amortised cost</b>			
On fixed deposits with banks	10,973.26	6,836.66	
On security deposit	105.34	-	
<b>Other non-operating income</b>			
Foreign exchange fluctuation (net)	2,895.88	7,400.22	
Miscellaneous income	21,409.51	30,799.59	
<b>Total</b>	<b>35,383.99</b>	<b>45,036.47</b>	

**Note 32 Cost of raw materials consumed** **(₹ in Hundreds)**

<b>Particulars</b>	<b>Year ended 31 March 2023</b>	<b>Year ended 31 March 2022</b>	
Cost of material consumed	38,95,342.51	32,43,871.76	
<b>Total</b>	<b>38,95,342.51</b>	<b>32,43,871.76</b>	

**Note 33 Change in inventories** **(₹ in Hundreds)**

<b>Particulars</b>	<b>Year ended 31 March 2023</b>	<b>Year ended 31 March 2022</b>	
Opening stock	10,64,608.96	7,73,544.44	
Closing stock	8,66,537.66	10,64,608.96	
<b>Net decrease/(increase)</b>	<b>1,98,071.30</b>	<b>(2,91,064.52)</b>	

**Note 34 Employee benefits expense** **(₹ in Hundreds)**

<b>Particulars</b>	<b>Year ended 31 March 2023</b>	<b>Year ended 31 March 2022</b>	
Salaries and wages	3,39,546.28	4,40,843.89	
Contribution to provident and other funds	18,240.84	18,591.33	
Staff welfare expense	3,374.42	8,865.33	
<b>Total</b>	<b>3,61,161.54</b>	<b>4,68,300.55</b>	
		<b>(₹ in Hundreds)</b>	



<b>Note 35 Finance cost</b>		<b>(₹ in Hundreds)</b>	
<b>Particulars</b>	<b>Year ended 31 March 2023</b>	<b>Year ended 31 March 2022</b>	
<b>Interest on financial liabilities at amortised cost</b>			
Interest on borrowings	1,34,843.96	1,26,410.17	
Lease liability interest	1,874.82	-	
<b>Other borrowings costs</b>			
Other borrowings costs	18,510.47	25,617.36	
<b>Total</b>	<b>1,55,229.25</b>	<b>1,52,027.53</b>	

**Note 36 Depreciation and amortisation** **(₹ in Hundreds)**

<b>Particulars</b>	<b>Year ended 31 March 2023</b>	<b>Year ended 31 March 2022</b>
Depreciation of property, plant and equipment	33,242.11	32,363.23
<b>Total</b>	<b>33,242.11</b>	<b>32,363.23</b>

**Note 37 Other expenses** **(₹ in Hundreds)**

<b>Particulars</b>	<b>Year ended 31 March 2023</b>	<b>Year ended 31 March 2022</b>
Auditor's Remuneration	3,600.00	3,600.00
Business promotion	7,267.32	5,974.96
Bank Charges	1,289.73	920.76
Bad Debts	3,95,928.33	-
Conveyance Expenses	8,333.00	9,214.70
Contractor expenses	11,568.30	
Director Sitting Fees	1,060.00	-
Electricity Charges	10,450.30	10,481.06
Freight Outwards	77,114.90	14,907.99
Insurance Charges	989.09	7,488.85
Interest and Penalty Charges	10,178.46	13,858.57
Liquidity Damages	19,443.33	-
Rent	19,961.54	12,088.70
Legal & Professional Charges	50,101.87	50,067.13
Miscellaneous Expenses	12,167.02	11,067.60
Subscription, Registration & other Fees	4,498.26	10,761.84
Office Maintenance Expenses	1,408.41	3,759.76
Printing and Stationery Expenses	3,963.41	1,829.05
Rates & Taxes	6,746.78	1,609.63
Repair & Maintenance	7,428.18	5,754.72
Tender fee	1,335.74	2,586.88
Telephone Expenses	3,206.35	13,530.63
Travelling Expenses	51,807.86	61,011.28
Vehicle Running & Hiring Charges	13,220.21	15,029.72
<b>Total</b>	<b>7,23,068.39</b>	<b>2,55,543.83</b>



**Note 38 : Earnings per share**

Particulars	2022-23	2021-2022
<b>Basic and Diluted earnings per share</b>		
Profit/(loss) for the year (₹ in hundreds)	(3,03,363.46)	83,714.49
Weighted average number of equity shares used in calculation of basic and diluted EPS (Nos.)	43,30,000	43,30,000
Nominal value of each share (in ₹)	5.00	5.00
Basic and Diluted earnings/(loss) per share (in ₹)	(0.70)	0.19

**Note 39 : Employee benefits:**

**(a) Defined Contribution Plans**

The Company contributes to the Government managed provident and pension fund for all qualifying employees.

Contribution to provident fund of ₹ 16,972.27 (previous year: ₹ 16,665.07) is recognized as an expense and included in "Contribution to provident and other funds" in Statement of Profit and Loss..

**(b) Defined Benefit Plans:**

The Company has defined benefit plan for payment of gratuity to all qualifying employees. It is governed by the Payment of Gratuity Act, 1972. Under this Act, an employee who has completed five years of service is entitled to the specified benefit. The level of benefits provided depends on the employee's length of service and salary at retirement age. The Company's defined benefit plan is unfunded.

There are no other post retirement benefits provided by the Company.

The most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at 31 March 2023 and 31 March 2022 by Charan Gupta Consultants Private Limited, Fellow of the Institute of the Actuaries of India. The present value of the defined benefit obligation, the related current service cost and past service cost, were measured using the projected unit credit method..

Movement in the present value of the defined benefit obligation are as follows :	Gratuity	
	As at 31 March 2023	As at 31 March 2022
Opening defined benefit obligation	580.29	562.88
Interest cost	41.49	37.66
Current service cost	93.08	99.40
Benefits paid	-	(48.47)
Actuarial (gain) / loss on obligations	(145.53)	(71.17)
<b>Present value of obligation as at the year end</b>	<b>569.33</b>	<b>580.29</b>

**Components of amounts recognised in profit or loss and other comprehensive income are**



as under:

Gratuity	As at 31 March 2023	As at 31 March 2022
Current service cost	93.08	99.40
Interest cost	41.49	37.66
<b>Amount recognised in profit or loss</b>	<b>134.57</b>	<b>137.06</b>
Acturial (gain)/loss		
a) arising from changes in financial assumptions	(13.94)	(30.71)
b) arising from experience adjustments	(131.59)	(40.46)
<b>Amount recognised in other comprehensive income</b>	<b>(145.53)</b>	<b>(71.17)</b>
<b>Total</b>	<b>(10.96)</b>	<b>65.89</b>

The principal assumptions used for the purposes of the actuarial valuations of gratuity are as follows:

Particulars	31-March-2023	31-March-2022
Discount rate	7.38%	7.15%
Expected rate of salary increase	8.00%	8.00%
Employee attrition rate	5.00%	5.00%
Mortality	IALM(2012-14) Ultimate Mortality Table	IALM(2012-14)Ultimate Mortality Table

Estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

These plans typically expose the Company to actuarial risks such as interest rate risk and salary risk.

- a) Interest risk: a decrease in the bond interest rate will increase the plan liability.
- b) Salary risk: the present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, a variation in the expected rate of salary increase of the plan participants will change the plan liability.
- c) Investment risk-since the scheme is unfunded the Company is not exposed to investment risk.

### Sensitivity Analysis

Significant actuarial assumptions for the determination of defined obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Particulars	(₹ in Lakhs)	
	2022-23	2021-22
Impact on present value of defined benefit obligation:		
If discount rate is increased by 0.50% (PY 0.50%)	(29.06)	(30.95)
If discount rate is decreased by 0.50% (PY 0.50%)	31.71	33.86
If salary escalation rate is increased by 0.50% (PY 0.50%)	29.88	32.35
If salary escalation rate is decreased by 0.50% (PY 0.50%)	(27.79)	(29.84)

The sensitivity analysis presented above may not be representative of the actual change in the





defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

**Discounted Expected outflow in future years (as provided in actuarial report)**

Particulars	2022-23	2021-22
	Gratuity	
Expected outflow in 1st Year	31.88	39.71
Expected outflow in 2nd Year	55.49	27.07
Expected outflow in 3rd Year	27.29	42.48
Expected outflow in 4th Year	26.89	26.63
Expected outflow in 5th Year	23.07	25.18
Expected outflow in 6th Year onwards	404.71	419.23

The average duration of the defined benefit plan obligation at the end of the reporting period is 11 years.

**(c) Other short term and long term employment benefits:**

**Annual leave & short term leave**

The liability towards compensated absences (annual and short term leave) for the year ended 31 March 2023 based on actuarial valuation carried out by using Projected accrued benefit method results increase in liability by ₹ (previous year : decrease in liability by ₹ ), which is included in the employee benefits in the Statement of Profit and Loss.

**The principal assumptions used for the purposes of the actuarial valuations of compensated absences are as follows:**

Particulars	As at	
	31 March 2023	31 March 2022
Discount rate	7.38%	7.15%
Expected rate of salary increase	8.00%	8.00%
Employee Attrition Rate	5.00%	5.00%
Mortality	IALM(2012-14)Ultimate Mortality Table	IALM(2012-14)Ultimate Mortality Table

**Note 40 : Related Party Disclosures:**

**(i) Where control exists :**

Sharika Lightec Private Limited - subsidiary company  
Elettromeccanica India Private Limited - joint venture

**(ii) Other related parties with whom there are transactions during the year**

**Key Management Personnel (KMP)**

Mr. Rajinder Kaul - Whole-time director  
Mr. Ravinder Bhan - Whole-time director  
Mr. Arun Kaul - Whole-time director  
Mr. Sanjay Verma - Whole-time director  
Ms. Garvita Asati - Chief financial officer  
Mr. Aditya Sharma - Company secretary  
Mr. Kush Mishra - Company secretary



**The following table summarizes related-party transactions and balances included in the standalone financial statements: ( ` in Hundreds)**

Particulars	Holding/ subsidiary companies		Joint venture		Key Management Personnel (KMP)		Total	
	2022-2023	2021-2022	2022-2023	2021-2022	2022-2023	2021-2022	2022-2023	2021-2022
<b>(A) Transactions during the year</b>								
<b>Loan taken during the year</b>								
Rajinder Kaul	-	-	-	-	1,71,800.00	63,935.53	1,71,800.00	63,935.53
Arun Kaul	-	-	-	-	5,800.00	6,700.00	5,800.00	6,700.00
Ravinder Bhan	-	-	-	-	-	4,000.00	-	4,000.00
Sanjay Verma	-	-	-	-	-	4,000.00	-	4,000.00
Elettromeccanica India Private Limited	-	-	17,955.05	37,310.00	-	-	17,955.05	37,310.00
<b>Total</b>	-	-	17,955.05	37,310.00	1,77,600.00	78,635.53	1,95,555.05	1,15,945.53
<b>Loan repaid during the year</b>								
<b>Rajinder Kaul</b>	-	-	-	-	92,500.00	1,19,144.36	92,500.00	1,19,144.36
Arun Kaul	-	-	-	-	11,700.00	-	11,700.00	-
Ravinder Bhan	-	-	-	-	-	4,000.00	-	4,000.00
Sanjay Verma	-	-	-	-	-	4,000.00	-	4,000.00
Elettromeccanica India Private Limited	-	-	14,095.00	4,692.12	-	-	14,095.00	4,692.12
Sharika Lightec Private Limited	-	2,881.40	-	-	-	-	-	2,881.40
<b>Total</b>	-	2,881.40	14,095.00	4,692.12	1,04,200.00	1,27,144.36	1,18,295.00	1,34,717.88
<b>Purchases</b>								
<b>Elettromeccanica India Private Limited</b>	-	-	-	1,93,202.36	-	-	-	1,93,202.36
<b>Total</b>	-	-	-	-	-	1,93,202.36	-	1,93,202.36



Particulars	Holding/subsidiary companies		Joint venture		Key Management Personnel (KMP)			Total	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	
<b>(B) Balance as at the end of the year</b>									
<b>Advances to directors</b>									
Sanjay Verma	-	-	-	-	2,000.00	2,000.00	2,000.00	2,000.00	
<b>Total</b>	-	-	-	-	<b>2,000.00</b>	<b>2,000.00</b>	<b>2,000.00</b>	<b>2,000.00</b>	
<b>Loan from director</b>									
Rajinder Kaul	-	-	-	-	1,00,741.40	21,441.40	1,00,741.40	21,441.40	
<b>Total</b>	-	-	-	-	<b>1,00,741.40</b>	<b>21,441.40</b>	<b>1,00,741.40</b>	<b>21,441.40</b>	
<b>Remuneration payable</b>									
Rajinder Kaul	-	-	-	-	53,000.00	7,400.00	53,000.00	7,400.00	
Ravinder Bhan	-	-	-	-	96.98	1,571.20	96.98	1,571.20	
Arun Kaul	-	-	-	-	-	1,250.00	-	1,250.00	
Sanjay Verma	-	-	-	-	-	1,650.00	-	1,650.00	
Kush Mishra	-	-	-	-	-	350.00	-	350.00	
<b>Total</b>	-	-	-	-	<b>53,096.98</b>	<b>12,221.20</b>	<b>53,096.98</b>	<b>12,221.20</b>	
<b>Amounts receivable</b>									
Sharika Lightec Private Limited	-	15,437.90	-	-	-	-	-	15,437.90	
<b>Total</b>	-	<b>15,437.90</b>	-	-	-	-	-	<b>15,437.90</b>	
<b>Inter-Corporate deposit receivable</b>									
Elettromeccanica India Private Limited	-	-	-	3,860.05	-	-	-	3,860.05	
Sharika Lightec Private Limited	1,66,552.80	1,40,658.90	-	-	-	-	1,66,552.80	1,40,658.90	
<b>Total</b>	<b>1,66,552.80</b>	<b>1,40,658.90</b>	-	<b>3,860.05</b>	-	-	<b>1,66,552.80</b>	<b>1,44,518.95</b>	



**C) Guarantee**

**Guarantee is provided by Rajinder Kaul and Arun Kaul for loans taken by the Company.**

**Notes:**

- (a) Sales, purchases and service transactions with the related parties are exclusive of taxes and made at arm's length price.
- (b) Amounts outstanding are unsecured and will be settled in cash or receipts of goods and services.
- (c) No expense has been recognised for the year ended 31 March 2023 and 31 March 2022 for bad or doubtful trade receivables in respect of amounts owed by related parties.
- (d) There have been no guarantees received or provided for any related party receivables or payables.
- (e) Compensation of Key management personnel:

<b>Particulars</b>	<b>2022-23</b>	<b>2021-22</b>
<b>Remuneration paid:</b>		
Rajinder Kaul	14,000.00	37,070.00
Arun Kaul	14,000.00	37,070.00
Ravinder Bhan	14,000.00	37,070.00
Sanjay Verma	10,640.00	37,070.00
Garvita Asati	3,636.48	-
Aditya Sharma	861.25	-
Kush Mishra	2,237.05	4,508.32
Sitting fees paid to directors	1,060.00	-
<b>Total</b>	<b>60,434.78</b>	<b>1,52,788.32</b>

<b>Particulars</b>	<b>2022-23</b>	<b>2021-22</b>
Short term benefits	59,374.78	1,52,788.32
Post employment benefits:*		
Long term employment benefits:*		
Share based payments	-	-
Termination benefits	-	-
Sitting fees paid to directors	1,060.00	-
<b>Total</b>	<b>60,434.78</b>	<b>1,52,788.32</b>

\*As the liabilities for the defined benefit plans and other long term benefits are provided on actuarial basis for the Company , the amount pertaining to KMP are not included above.



## Note 41 : Capital Management

For the purpose of the Company's capital management, capital includes issued equity share capital, security premium and all other equity reserves attributable to the equity holders of the Company.

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations, if any.

The gearing ratio at the end of the reporting period was as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current borrowings	4,70,111.46	7,70,091.77
Current borrowings	7,32,024.18	5,69,187.26
Interest accrued but not due on borrowings	-	-
<b>Total Debt</b>	<b>12,02,135.64</b>	<b>13,39,279.03</b>
Less: Cash and bank balances	1,55,381.35	7,037.69
<b>Net debt</b>	<b>10,46,754.29</b>	<b>13,32,241.34</b>
Total equity	24,00,211.49	27,08,237.58
<b>Net debt to equity %</b>	<b>43.61%</b>	<b>49.19%</b>

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March, 2023 and 31 March, 2022.

### Note 41 a.: Financial Instruments

#### (i) Categories of financial instruments

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Financial assets</b>		
<b>Measured at amortised cost</b>		
(a) Cash and bank balances	1,55,381.35	7,037.69
(b) Trade receivables	21,68,007.31	28,23,240.87
(c) Loans	4,30,177.63	6,03,822.29
(d) Other financial assets	1,01,859.13	3,34,811.43
	<b>28,55,425.42</b>	<b>37,68,912.28</b>
Total financial assets	<b>28,55,425.42</b>	<b>37,68,912.28</b>



<b>Financial liabilities Measured at amortised cost</b>		
(a) Borrowings	12,02,135.64	13,39,279.03
(b) Trade payables	7,34,580.50	13,47,718.44
(c) Other financial liabilities	3,31,881.26	-
	<b>22,68,597.40</b>	<b>26,86,997.47</b>
<b>Total financial liabilities</b>	<b>22,68,597.40</b>	<b>26,86,997.47</b>

Investment in subsidiaries are classified as equity investments have been accounted at historical cost. Since these are scope out of Ind As 109 for the purpose of measurement, the same have not been disclosed in the table above.

The carrying amount reflected above represents the Company's maximum exposure to credit risk for such financial assets.

**(ii) Financial risk management**

The Company's finance function provides services to the business, coordinates access to financial market, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of the risk. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The use of financial derivatives is governed by the Company's policies approved by the Board of Directors of the Company, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments and the investment of the excess liquidity. Compliance with policies and exposure limits is reviewed by the Company on a continuous basis. The Company does not enter into or trade financial instruments including derivative financial instruments for speculative purpose.

**(iii) Market Risk**

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

**(iv) (a) Foreign Currency risk management**

The Company is subject to the risk that changes in foreign currency values mainly impact the Company's cost of imports of materials/capital goods, royalty expenses and borrowings etc.

Foreign exchange transactions are covered with in limits placed on the amount of uncovered exposure, if any, at any point in time. The aim of the Company's approach to management of currency risk is to leave the Company with minimised residual risk.

**The carrying amount of unhedged Foreign Currency (FC) denominated monetary liabilities at the end of the reporting period are as follows:**

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Liabilities In USD</b>		
Trade Payable	3,299.62	385.13
<b>USD Total</b>	<b>3,299.62</b>	<b>385.13</b>

The Company does not have any foreign currency monetary assets.



The carrying amount of unhedged Foreign Currency (FC) denominated monetary assets at the end of the reporting period are as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Assets</b>		
<b>In USD</b>		
Trade Receivable	12,067.06	3,234.62
<b>USD Total</b>	<b>12,067.06</b>	<b>3,234.62</b>

**(iv) (b) Foreign Currency sensitivity analysis**

The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar and Euro.

The following table details the Company's sensitivity to a 10% increase and decrease in the Rupees against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes unhedged external loans, receivables and payables in currency other than the functional currency of the Company.

A 10% strengthening of the INR against key currencies to which the Company is exposed (net of hedge) would have led to additional gain in the Statement of Profit and Loss. A 10% weakening of the INR against these currencies would have led to an equal but opposite effect.

Particulars	USD impact (net of tax)	
	As at 31 March 2023	As at 31 March 2022
Impact on profit or loss for the year	656.09	213.23
Impact on total equity as at the end of the reporting period	656.09	213.23

**(v) (a) Interest rate risk management**

Interest rate risk refers to the possibility that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The Company is exposed to interest rate risk because it borrows funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

**Interest rate sensitivity analysis**

The sensitivity analysis below have been determined based on the exposure to interest rates for floating rate liabilities at the end of the reporting period. For floating rate liabilities, a 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's profit for the year ended 31 March 2023 would decrease/increase by ₹4,449.91 net of tax (for the year ended 31 March 2022 decrease/increase by ₹4,768.29 net of tax). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

**(vi) Other price risks**

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in equity





instruments and mutual funds. The Company does not have investment in equity instruments, other than investments in subsidiary which are held for strategic rather than trading purposes. The Company does not actively trade these investments. The Company's investment in mutual funds are in debt funds. Hence the Company's exposure to equity price risk is minimal.

**(vii) Credit risk management**

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, investment in mutual funds, derivative financial instruments, other balances with banks, loans and other receivables.

**b) Loans and other receivables**

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the loans given by the Company to the external parties. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

The Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

12 months ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense/income in the Statement of Profit and Loss under the head 'Other expenses'/'other income'.

**c) Other financial assets**

Credit risk arising from investment in debt funds, derivative financial instruments and other balances with banks is limited because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the various credit rating agencies. There are no collaterals held against such investments.

**Liquidity Risk Management**

Ultimate responsibility for liquidity risk management rests with the committee of board of directors of the Company, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

**Liquidity and interest risk tables**

The following table detail the analysis of derivative as well as non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.



(₹ in Hundreds)

Particulars	Less than 1 year	1 to 5 year	5 years and above	Total
<b>Borrowings</b>	7,32,024.18	4,70,111.46	-	12,02,135.64
Trade payables	7,34,580.50	-	-	7,34,580.50
Other financial liabilities	3,31,881.26	-	-	3,31,881.26
	17,98,485.94	4,70,111.46	-	22,68,597.40
<b>As at 31 March 2022</b>				
Borrowings	5,69,187.26	7,70,091.77	-	13,39,279.03
Trade payables	13,47,718.44	-	-	13,47,718.44
Other financial liabilities	4,79,706.38	-	-	4,79,706.38
	<b>23,96,612.08</b>	<b>7,70,091.77</b>	-	<b>31,66,703.85</b>

(ix) Fair Value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis:

Financial as-sets/(Financial liabilities)	Fair Value as at		Fair Value Hierarchy	Valuation Technique(s) & key inputs used	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	31 March 2023	31 March 2023				
					NA	NA

During the period, there were no transfers between Level 1 and level 2

(x) Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Note 42 : Income tax recognised in Statement of Profit and Loss

(₹ in Hundreds)

Particulars	2022-2023	2021-2022
<b>Current tax</b>		
In respect of the current year	-	32,374.42
In respect of the earlier year	-	-
	-	<b>32,374.42</b>
<b>Deferred tax</b>		
In respect of the current year	9,237.00	(14,474.32)
In respect of the earlier year	-	-
<b>Total income tax expense recognised in the current year</b>	<b>9,237.00</b>	<b>17,900.10</b>



The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	₹ in Hundreds)	
	2022-2023	2021-2022
Profit before tax	(2,94,126.46)	1,01,614.59
Income tax expense calculated at 25.17% (2021-2022: 31.20 %)	(74,025.75)	31,703.75
Tax incentives	74,025.75	-
Effect of expenses that are not deductible in determining taxable profits	9,237.00	(14,474.32)
	9,237.00	17,229.43
Taxation pertaining to earlier years	-	670.67
<b>Income tax expense recognised in Statement of Profit and Loss</b>	<b>9,237.00</b>	<b>17,900.10</b>

The tax rate used for the year ended 31 March 2023 and 31 March 2022 in reconciliations above is the corporate tax rate of 31.20 % payable by corporate entities in India on taxable profits under the Indian tax law.

Provision for tax in the standalone financial statement for the year ended 31 March 2023 and year ended 31 March 2022 are only provisional in the respective years and subject to change at the time of filing of Income Tax Return based on actual addition/deduction as per provisions of Income Tax Act 1961.

**Note 43 : Contingent liabilities:**

- (a) Contingent liabilities as at 31 March 2023 : Rs. Nil (31 March 2022 : Rs. Nil)

**Note 44 : Capital and other Commitments**

- a) Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ (as at 31 March 2022: ₹ Nil).
- b) Bank guarantees issued by the Company to its customers for ₹ 3,80,680.70 hundreds (as at 31 March 2022 : ₹ 2,46,605.20 hundreds).

**Note 45: Balance confirmation**

The Company has a system of obtaining periodic confirmation of balances from banks, trade receivables/ payables/advances to vendors and other parties (other than disputed parties). The balance confirmation letters as referred to in the Standard on Auditing (SA) 505 (Revised) 'External Confirmations', were sent to banks and parties and the party's balances are subject to confirmation/reconciliation. Considering the large amount of outstanding advances and certain balance confirmation received from the parties, SEL committee of the Board of Directors of operations in its meeting held on March 09, 2023, proposed for 100% physical verification of entire Property, Plant and Equipment / Inventory (together hereinafter referred to as "Assets") at all plant and locations of Company and its subsidiaries and same is under process as on date. Adjustments/restatement/impairment loss/provisions on advances, if any will be accounted for on confirmation/reconciliation of the same, which in the opinion of the management will not have a material impact on the financial statement.

**Note 46 : Segment information**

The Company is engaged only into single reportable Segment during the year as per Ind AS 108.



**Note 47 : Revenue from contracts with customers as per Ind AS 115**

**(A) Disaggregated revenue information**

In the following table, revenue from contracts with customers is disaggregated by primary major products and service lines. Since the Company has only one reportable business segment, no reconciliation of the disaggregated revenue is required:

**Reportable segment/Manufacture of Wind Turbine**

Particulars	2022-2023	2021-2022
<b>Major Product/ Service Lines</b>		
Sale of goods	37,65,750.91	28,33,875.73
Sale of services	11,98,922.37	10,83,744.77
Others	71,931.37	-
<b>Total</b>	<b>50,36,604.65</b>	<b>39,17,620.50</b>

**(B) Contract balances**

All the Trade Receivables and Contract Liabilities have been separately presented in notes to accounts.

**Note 48: Leases**

**Company as a lessee**

**Particulars of right-to-use assets and lease liabilities**

**i. Carrying value of right-of-use assets by class of underlying assets (₹ in Hundreds)**

Particulars	Buildings	Land-leasehold	Total
<b>Balance as at 31 March 2021</b>	-	-	-
Addition for the year		-	-
Depreciation for the year	-	-	-
<b>Balance as at 31 March 2022</b>	-	-	-
Addition for the year	43,837.03	-	43,837.03
Depreciation for the year	6,675.74	-	6,675.74
<b>Balance as at 31 March 2023</b>	<b>37,161.29</b>	-	<b>37,161.29</b>

**ii. Movement in lease liability during year ended (₹ in Hundreds)**

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Opening Balance</b>	-	-
Additions during the year	43,837.03	-
Deletions	-	-
Interest on lease liabilities	1,874.82	-
Payment of lease liabilities	7,428.82	-
<b>Closing Balance</b>	<b>38,283.03</b>	-

**iii. Contractual maturities of lease liabilities as at reporting date on an undiscounted basis:**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Maturity analysis - contractual undiscounted cash flows		



Less than one year	16,927.54	-
One to five years	28,048.05	-
More than five years	-	-
<b>Total undiscounted lease liabilities</b>	<b>44,975.59</b>	<b>-</b>

iv. **Amount recognized in statement of profit and loss** (₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Interest on lease liabilities	1,874.82	-
Included in rent expenses: Expense relating to short-term leases	19,961.54	12,088.70

v. **Amounts recognised in the statement of cash flows** (₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Total cash outflow for leases	27,390.36	12,088.70

**Note 49 : Payment to Auditors** (₹ in Hundreds)

Particulars	2022-2023	2021-2022
Audit fees	2,000.00	2,000.00
For other services	1,600.00	1,600.00
<b>Total</b>	<b>3,600.00</b>	<b>3,600.00</b>

Note : The above amounts are exclusive of GST

**Note 50 (a) : Additional disclosure in respect of loans given, as required by the Listing Agreement:**

i) **Name of the loanee - Sharika Lightec Private Limited** (₹ in Hundreds)

Particulars	31 March 2023	31 March 2022
In respect of Inter-corporate deposit:		
Amount at the year end	1,66,552.80	1,40,658.90
Maximum balance during the year	1,66,552.80	1,40,658.90
Investment by the loanee in shares of the Company	14,722.12	14,722.12

**Note 50 (b) : Disclosure required under section 186(4) of the Companies Act, 2013**

**Loans to related parties:** (₹ in Hundreds)

Name of the Party	31 March 2023	31 March 2022
Sharika Lightec Private Limited	1,66,552.80	1,40,658.90
Elettromeccanica India Private Limited	-	3,860.05

The above loans are unsecured. The inter-corporate deposits are repayable on demand and interest free. These loans are given for general business purposes.



**Note 51 (a) : Terms of repayment and securities for non-current borrowings**

(₹ in Hundreds)

	<b>Particulars</b>	<b>As at 31 March 2023</b>	<b>As at 31 March 2022</b>
i)	Term loan from Jammu and Kashmir Bank 2,31,401.57. This loan is secured against the property of directors. The loan is repayable by repayment of principle of Rs. 5,000.00 and interest payment according to the market rate.	2,31,401.57	-
ii) (a)	Vehicle term loan from HDFC Bank is secured by hypothecation of the said vehicle and carries interest @ 8.70 % p.a. The loan is repayable in balance 14 monthly instalments of ₹ 1,004.05.		
(b)	Vehicle term loan from ICICI Bank is secured by hypothecation of the said vehicle and carries interest @ 9.40 % p.a. The loan is repayable in balance 45 monthly instalments of ₹ 362.15."	27,151.67	41,095.16
iii)	MSME loan from Jammu and Kashmir Bank is under the government scheme of GECL and interest payment according to the market rate.	31,842.92	55,031.62
iv)	Working capital term loan from Jammu and Kashmir Bank amounting Rs. 1,76,750.00 (Previous year 1,76,50.00) is under the government scheme of GECL and interest payment according to the market rate.	1,76,750.00	1,76,750.0
v)	Term loan from Jammu and Kashmir Bank amounting Rs. Nil (Previous year Rs. 4,43,925.55) against the property of the Company and interest payment according to the market rate.	-	4,43,925.55
	<b>"Unsecured Loans</b>		
i)	Credit Saison ₹ 31,781.97 (previous year ₹ Nil) carries interest rate of 17.50% p.a. The loan is repayable in remaining 31 monthly installments of ₹ 1,281.71.		
ii)	Aditya Birla Finance Limited ₹ 16,355.18 (previous year ₹ 16,355.18) carries interest rate of 16.00% p.a. The loan is repayable in remaining 10 monthly installments of ₹ 1,757.86.	1,61,445.67	1,33,326.10
iii)	Hero Fincorp Ltd. ₹ 38,510.65 (previous year ₹ Nil) carries interest rate of 16.00% p.a. The loan is repayable in remaining 31 monthly installments of ₹ 1,762.48."		
iv)	ICICI Bank ₹ 38,510.65 (previous year ₹ Nil ) carries interest rate of 16.00% p.a. The loan is repayable in remaining 26 monthly installments of ₹ 1,762.48.		
v)	IndusInd Bank ₹ 24,989.62 (previous year ₹ Nil) carries interest rate of 17.50% p.a. The loan is repayable in remaining 18 monthly installments of ₹ 1,738.90.		



vi)	Unity Small Finance Bank ₹ 26,370.86 (previous year ₹ Nil) carries interest rate of 17.50% p.a. The loan is repayable in remaining 30 monthly installments of ₹ 1,091.59.	
vii)	Loan from Syselec Techonologies Private Limited is interest free."	

There are no defaults on repayment of principal or payment of interest on borrowings, as on balance sheet date

**Note 51 (b) : Terms of repayment and securities for current borrowings** (₹ in Hundreds)

	Particulars	As at	As at
		31 March 2023	31 March 2022
i)	Cash credit loan from Jammu and Kashmir Limited carries interest rate of	3,33,778.74	2,66,883.11
ii)	Loan from National small industrial corporation of Rs. 99,940.63 (Previous year 1,94,126.09) against bank guarantee which carries interest rate of 14%.	99,940.64	1,94,126.09
iii)	Loan from Directors is interest free and repayable on demand.	1,01,541.40	28,141.40

There are no defaults on repayment of principal or payment of interest on borrowings, as on balance sheet date

**Note 52 : Trade Receivable Ageing**

**Trade Receivable ageing schedule As at 31 March 2023** (₹ in Hundreds)

Particulars	Outstanding for following periods from due date of payment / date of transaction					Total
	Less than 6 month	6 months -1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) Undisputed Trade receivable considered good	14,45,898.63	3,84,388.10	77,055.36	1,69,931.49	90,733.73	21,68,007.31
(ii) Undisputed Trade receivable -which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivable -credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivable considered good	-	-	-	-	-	-
(v) Disputed Trade receivable -which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivable -credit impaired	-	-	-	-	-	-





**Trade Receivable ageing schedule As at 31 March 2022**

(₹ in Hundreds)

Particulars	Outstanding for following periods from due date of payment / date of transaction				More than 3 years	Total
	Less than 6 month	6 months -1 Year	1-2 Years	2-3 Years		
(i) Undisputed Trade receivable considered good	11,04,178.53	2,71,941.30	3,48,400.47	2,54,277.06	8,44,443.50	28,23,240.86
(ii) Undisputed Trade receivable -which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivable -credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivable considered good	-	-	-	-	-	-
(v) Disputed Trade receivable -which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivable -credit impaired	-	-	-	-	-	-

**52a : Trade Payable Ageing**

**Trade Payable ageing schedule As at 31 March 2023**

(₹ in Hundreds)

Particulars	Outstanding for following periods from due date of payment / date of transaction				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) MSME	908.30	392.64	-	-	1,300.94
(ii) Others	3,47,335.92	2,72,842.89	32,553.51	80,547.24	7,33,279.56
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-

**Trade Payable ageing schedule As at 31 March 2022**

(₹ in Hundreds)

Particulars	Outstanding for following periods from due date of payment / date of transaction				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) MSME	78,202.98	-	-	-	78,202.98
(ii) Others	10,23,220.03	1,52,653.97	6,983.28	86,658.17	12,69,515.45
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-

**Note 52b : The particulars of dues to Micro and Small Enterprises under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act):**

Particulars	2022-23	2021-22
Principal amount due to suppliers under MSMED Act at the year end	-	-
Interest accrued and due to suppliers under MSMED Act on the above amount, unpaid at the year end.	-	-
Payment made to suppliers (other than interest) beyond the appointed date during the year	-	-
Interest paid to suppliers under section 16 of MSMED Act during the year	-	-
Interest due and payable to suppliers under MSMED Act for payments already made.	-	-
Interest accrued and not paid to suppliers under MSMED Act up to the year end.	-	-



**Note 53 : Ratios**

S. no.	Ratios	Numerator	Denominator	As at 31 March 2023	As at 31 March 2022	Change	Reason
1	Current ratio	Current assets	Current liabilities	2.11	1.89	11.7%	Not major variance
2	Debt equity ratio	Total debt	Shareholder's equity	0.50	0.49	2.2%	Not major variance
3	Debt service coverage ratio (DSCR)	Earning available for debt services <sup>(1)</sup>	Total interest and principle repayments	(0.34)	0.35	-196.8%	Increase in direct cost and other expenses related to projects
4	Return on equity ratio	Net profit after tax	Average shareholder's equity	(0.13)	0.04	-416.0%	Increase in direct cost and other expenses related to projects
5	Inventory turnover ratio	Cost of materials consumed	Average inventory	4.24	3.21	32.1%	Increase in turnover
6	Trade receivables turnover ratio	Revenue from operations	Average trade receivables	2.02	1.45	39.2%	Increase in turnover and Better realisation from receivables
7	Trade payables turnover ratio	Purchases	Average trade payables	3.93	2.04	92.7%	Improved efficiency in payment to suppliers
8	Net capital turnover ratio	Revenue from operations	Net working capital	2.35	1.80	30.7%	Increase in turnover
9	Net profit ratio	Net profit	Revenue from operations	(0.06)	0.03	-300.8%	Increase in direct cost and other expenses related to projects
10	Return on capital employed	Earning before interest and taxes	Capital employed <sup>(2)</sup>	(0.09)	0.09	-199.3%	Increase in direct cost and other expenses related to projects
11	Return on investment	Net profit	Net worth	(0.13)	0.04	-416.0%	Increase in direct cost and other expenses related to projects

<sup>(1)</sup> Net profit after taxes + Non cash operating expenses + Interest + other adjustments like loss on sale of fixed assets

<sup>(2)</sup> Tangible net worth + Total debt + Deferred tax liability

N.A. = Not Applicable

**Note 54 : Corporate Social Responsibility (CSR)**

(a) The gross amount required to be spent by the Company during the year towards Corporate Social Responsibility is Nil (previous year: Nil).

(b) Amount spent during the year ended 31 March 2023: (₹ in Hundreds)

Particulars	In Cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any fixed assets	Nil (Nil)	Nil (Nil)	Nil (Nil)
(ii) On purpose other than (i) above - Donations	Nil (Nil)	Nil (Nil)	Nil (Nil)
(iii) The amount of shortfall at the end of year out of the amount required to be spent by the company during the year	Nil (Nil)	Nil (Nil)	Nil (Nil)
(iv) The total of previous year's shorfall amounts	Nil (Nil)	Nil (Nil)	Nil (Nil)

(Figures in brackets pertain to previous year)



**Note 55 :** There have been no delays in transferring amounts required to be transferred to the Investor Education and Protection Fund.

**Note 56 : Other statutory informations:**

- (i) The company does not have any transaction with the companies struck off under SEC 248 of the Companies Act 2013 or section 560 of the Companies Act 1956 during the year ended March 31, 2023 and March 31, 2022.
- (ii) There are no charges or satisfaction which are to be registered with the registrar of companies during the year ended March 31, 2023 and March 31, 2022.
- (iii) The Company complies with the number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction on number of layers) rules 2017 during the year ended March 31, 2023 and March 31, 2022.
- (iv) The Company has not invested or traded in cryptocurrency or virtual currency during the year ended March 31, 2023 and March 31, 2022.
- (v) No proceedings have been initiated on or are pending against the company for holding Benami property under the Prohibition of Benami Property Transaction Act 1988 (as amended in 2016) (formally the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder during the year ended March 31, 2023 and March 31, 2022.
- (vi) The Company has not been declared a wilful defaulter by any bank or financial institution or government or any government authorities during the year ended March 31, 2023 and March 31, 2022.
- (vii) The Company has not entered into any scheme of arrangement approved by the competent authority in terms of sections 232 to 237 of the Companies Act 2013 during the year ended March 31, 2023 and March 31, 2022.
- (viii) During the year ended March 31, 2023 and March 31, 2022, the Company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act 1961).
- (ix) During the year ended March 31, 2023 and March 31, 2022, the Company has not advanced or loaned or invested funds (either borrowed funds or the share premium or kind of funds) to any other person or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall:
  - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
  - b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (x) During the year ended March 31, 2023 and March 31, 2022, the Company has not received any funds from any persons or entities including foreign entities (Funding party) with the understanding (whether recorded in writing or otherwise) that the company shall :
  - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or"
  - b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- (xi) The Company does not have any transaction which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).



(xii) Quarterly returns or statements of the current assets filed by the Company with banks or financial institutions are in agreement with books of accounts except below

**For the year ended 31 March 2023**

Name of Lender and Type of facilities	Return period/Type	Value as per returns submitted with lenders	Value as per books of accounts	Reconciliation amount	Reason of material discrepancies

**For the year ended 31 March 2023**

Name of Lender and Type of facilities	Return period/Type	Value as per returns submitted with lenders	Value as per books of accounts	Reconciliation amount	Reason of material discrepancies

**Note 57:** The company has a comprehensive system of maintenance of information and documents as required by the Goods and Services Act ("GST Act"). Since the GST Act requires existence of such information and documentation to be contemporaneous in nature, books of accounts of the company are also subject to filing of GST Periodic and Annual Return as per applicable provisions of GST Act to determine whether the all transactions have been duly recorded and reconcile with the GST Portal. Adjustments, if any, arising while filing the GST Annual Return shall be accounted for as and when the return is filed for the current financial year. However, the management is of the opinion that the aforesaid annual return will not have any material impact on the Standalone financial statements.

**Note 58:** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits has received Presidential assent on 28th September 2020. The Code has been published in the Gazette of India. However, the effective date of the Code is yet to be notified and final rules for quantifying the financial impact are also yet to be issued. In view of this, the Company will assess the impact of the Code when relevant provisions are notified and will record related impact, if any, in the period the Code becomes effective.

**Note 59: Events after the reporting period**

There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.

**Note 60: Previous year comparatives**

Previous year's figures have been regrouped/reclassified, wherever necessary, to conform to current year classification.

As per our Report of even date attached

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

**Dheeraj Wadhwa**  
(Partner)  
Membership No. 091143  
UDIN - 23091143BGZBAD9040

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

**Rajinder Kaul**  
Managing Director  
DIN - 01609805

**Garvita Asati**  
Chief Financial Officer

**Sanjay Verma**  
Executive Director  
DIN-08139841

**Aditya Sharma**  
Company Secretary

Place : Noida  
Date : 25/05/2023



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

**Opinion**

We have audited the accompanying consolidated Ind AS financial statements of SHARIKA ENTERPRISES LIMITED (hereinafter referred to as "the Holding Company"), and its subsidiary incorporated in India, Joint Venture Company (together referred to as 'the Group') which comprise the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss, (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended and notes to consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "Consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, the Consolidated loss, including other comprehensive income, its Consolidated changes in equity and its Consolidated cash flows for the year ended on that date.

**Basis for Opinion**

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

**Key Audit Matters**

- a) We Draw attention to refer note no 5 to effect that **Standalone Ind AS financial statements regarding erosion of net worth of its subsidiary**; The company has investments in Subsidiary. These investments are carried out at cost less adjustment on account of accumulated losses of the subsidiary company.
- b) We are unable to verify physical inventories due to the size and nature of inventories and we are also unable to satisfy ourselves by alternative audit procedures concerning the inventories held at 31 March, 2023. We have therefore relied on the information, explanations and other documents including physical verification report for inventory held at local sites, provided by the Management. However, as explained by Management, physical verification of Inventories held at other sites has been conducted at reasonable intervals of some of the items of Inventory and no material discrepancies were observed.

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

- c) Balances of trade receivables and trade payables, and advances and deposits given by the Company and parties from whom unsecured loans have been taken are subject to confirmations and adjustments, if any, required upon such confirmations are not ascertainable and hence not provided for. As explained by the management, majority of the customers are government entities and as per the



industry trends, it is very difficult to get confirmations from them.

**Our opinion is not modified in respect of above matters.**

**Information Other than the Consolidated Ind AS Financial Statements and Auditor's Report Thereon**

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

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

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

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

Management's Responsibility and those charged with governance for the Consolidated Ind AS Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Ind AS financial statements that give a true and fair view of the state of affairs as evidence by financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting



from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Ind AS financial statements, including the disclosures, and whether the Consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

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

### **1. As required by Section 143(3) of the Act, based on our audit we report that:**

- a) We have sought and obtained, subject to key audit matters, all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including other Comprehensive income, the statement of changes of equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015.
- e) On the basis of the written representations received from the directors as on March 31, 2023 taken





on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has properly disclosed the impact of pending litigations on its financial position in its financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts, which were required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries ;  
(b) The Management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and  
(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that there presentations under sub-clause (a) and (b) contain any material misstatement.
- v. No Dividend has been declared or paid during the year by the company.

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

Dheeraj Wadhwa  
Partner  
Membership No. 091143  
UDIN: 23091143BGZBAE3808  
Place: New Delhi Date: 25 May 2023





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## Annexure - A to the Independent Auditors' Report

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

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

We have audited the internal financial controls over financial reporting of **SHARIKA ENTERPRISES LIMITED ("the Company")** as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial control system with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance note").

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

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

#### **Auditors' Responsibility**

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

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

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



### Meaning of Internal Financial Controls with reference to Financial Statements

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

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

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

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

### 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 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 Issued by Chartered Accountants of India (ICAI).

For WDK & ASSOCIATES  
Chartered Accountants FRN: 016389N

Dheeraj Wadhwa  
Partner  
Membership No.091143  
UDIN: 23091143BGZBAE3808

Place: New Delhi Date: 25 May 2023



**Consolidated Balance Sheet as at 31 March 2023**

(₹ in Hundreds)

Particulars	Note No.	As at 31 March 2023	As at 31 March 2022
<b>ASSETS</b>			
<b>Non current assets</b>			
(a) Property, plant and equipment	3	386,510.67	434,716.49
(b) Capital work-in-progress	3A	305,454.71	-
(c) Right of use assets	4	37,161.29	-
(d) Financial assets			
(i) Investments	5	-	(92,199.03)
(ii) Loans	6	(6,335.00)	13,860.05
(iii) Other financial assets	7	9,332.92	172,885.24
(e) Deferred tax assets (net)	8	75,252.15	71,519.48
(f) Other non-current assets	9	34,735.34	818,796.31
<b>Total non current assets</b>		<b>842,112.08</b>	<b>1,419,578.54</b>
<b>Current assets</b>			
(a) Inventories	10	928,901.83	1,133,902.48
(b) Contract Assets	11	176,940.00	-
(c) Financial assets			
(i) Trade receivables	12	2,235,659.66	2,892,207.03
(ii) Cash and cash equivalents	13	24,965.31	7,889.76
(iii) Bank balances other than (ii) above	13	133,906.76	-
(iv) Loans	14	420,177.63	457,168.64
(v) Other financial assets	15	94,895.48	191,368.61
(e) Other current assets	16	194,878.69	1,930.63
(d) Current tax assets	17	12,860.54	71,441.37
<b>Total current assets</b>		<b>4,223,185.90</b>	<b>4,755,908.52</b>
<b>Total assets</b>		<b>5,065,297.98</b>	<b>6,175,487.06</b>
<b>EQUITY &amp; LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	18	2,165,000.00	2,165,000.00
(b) Other equity	19	206,002.94	450,743.44
<b>Total equity</b>		<b>2,371,002.94</b>	<b>2,615,743.44</b>
<b>Non - current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	20	524,922.65	851,522.42
(ii) Lease liabilities	21	25,374.34	-
(b) Long term provisions	22	52,945.24	211,333.81
<b>Total non - current liabilities</b>		<b>603,242.23</b>	<b>1,062,856.23</b>
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	23	870,513.19	591,304.73
(ii) Trade payables			
(A) Total outstanding dues of micro and small enterprises	24	1,300.94	78,202.98
(B) Total outstanding dues of creditors other than micro and small enterprises	24	743,738.31	1,306,795.71
(iii) Lease liabilities	25	12,908.69	-
(iv) Other financial liabilities	26	331,881.26	-
(b) Other current liabilities	27	123,555.73	480,257.27
(c) Provisions	28	4,637.58	7,952.28
(d) Current tax liabilities	29	2,517.11	32,374.42
<b>Total current liabilities</b>		<b>2,091,052.81</b>	<b>2,496,887.39</b>
<b>Total liabilities</b>		<b>2,694,295.04</b>	<b>3,559,743.62</b>
<b>Total equity and liabilities</b>		<b>5,065,297.98</b>	<b>6,175,487.06</b>

The accompanying notes form an integral part of financial statements

As per our Report of even date attached

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

**Dheeraj Wadhwa**  
(Partner)  
Membership No. 091143  
UDIN - 23091143BGZBAE3808

Date : 25/05/2023  
Place : Noida

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

**Rajinder Kaul**  
Managing Director  
DIN - 01609805

**Garvita Asati**  
Chief Financial Officer

**Sanjay Verma**  
Executive Director  
DIN-DIN-08139841

**Aditya Sharma**  
Company Secretary



**Consolidated Statement of Profit And Loss for the year ended 31 March 2023**

(₹ in Hundreds)

Particulars	Note No.	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Income:</b>			
Revenue from operations	30	5,036,604.65	3,920,182.75
Other income	31	35,923.35	46,432.93
<b>Total income</b>		<b>5,072,528.00</b>	<b>3,966,615.68</b>
<b>Expenses:</b>			
Cost of material consumed	32	3,895,342.51	3,247,154.67
Change in inventories	32A	205,000.65	(286,648.14)
Employee benefit expenses	33	361,161.54	468,300.55
Finance cost	34	169,386.26	166,335.65
Depreciation and amortisation	35	33,242.11	41,166.46
Other expenses	36	729,234.33	264,896.89
<b>Total expenses</b>		<b>5,393,367.40</b>	<b>3,901,206.08</b>
<b>Profit before exceptional items and taxes</b>		<b>(320,839.40)</b>	<b>65,409.60</b>
Share of profit/ (loss) of joint venture		-	(80,280.83)
Profit before tax		(320,839.40)	(14,871.23)
<b>Tax expenses</b>			
Current tax		-	32,374.42
Deferred tax		9,237.00	(14,474.32)
Income tax of earlier years		2,200.50	-
		<b>11,437.50</b>	<b>17,900.10</b>
<b>Profit for the year</b>		<b>(332,276.90)</b>	<b>(32,771.33)</b>
<b>Other comprehensive income</b>			
Items not to be reclassified subsequently to profit or loss			
Re-measurement gains/(losses) on defined benefit plans		(777.31)	(3,916.25)
Income tax effect on above		195.63	1,018.23
<b>Other comprehensive income</b>		<b>(581.68)</b>	<b>(2,898.02)</b>
<b>Total comprehensive income for the year</b>		<b>(332,858.58)</b>	<b>(35,669.35)</b>
Earnings per equity shares of nominal value of	37		
Basic		(0.77)	(0.08)
Diluted		(0.77)	(0.08)

The accompanying notes form an integral part of financial statements.

As per our Report of even date attached

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

**Dheeraj Wadhwa**  
(Partner)  
Membership No. 091143  
UDIN - 23091143BGZBAE3808

Date : 25/05/2023  
Place : Noida

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

**Rajinder Kaul**  
Managing Director  
DIN - 01609805

**Garvita Asati**  
Chief Financial Officer

**Sanjay Verma**  
Executive Director  
DIN-DIN-08139841

**Aditya Sharma**  
Company Secretary



## Consolidated Cash Flow Statement for the year ended 31 March 2023

(₹ in Hundreds)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>A. Cash Flow from Operating Activities</b>		
Profit / (loss) during the year	(332,276.90)	(32,771.33)
<b>Adjustments to reconcile net profit to net cash provided by operating activities:</b>		
Depreciation	33,242.11	41,166.46
Loss / (Profit) on Associate Joint venture	-	80,280.33
Interest income	(11,512.62)	(8,233.10)
Finance cost	169,386.26	166,335.65
<b>Operating profit before changes in operating Assets &amp; liabilities</b>	<b>(141,161.15)</b>	<b>246,778.01</b>
<b>Adjustments for:</b>		
Decrease in Loans	7,091.86	341,373.16
Decrease / (Increase) in Inventories	205,000.65	(283,365.24)
(Increase) in other Current Assets	(170,573.34)	(1,071.49)
(Decrease) in Trade payables	(639,959.44)	(486,429.16)
Decrease / (Increase) in Trade receivables	656,547.37	(246,045.30)
Decrease in Other Non Current Assets	753,418.31	369,632.85
(Decrease) in other Non Current Liability	-	(5,906.62)
(Increase) in Contract assets	(176,940.00)	-
Decrease in other financial assets	107,789.97	-
Increase in other financial liabilities	369,957.59	-
(Decrease) in other Current Liability	(356,701.54)	10,843.19
(Decrease)/ Increase in provisions	(160,764.19)	(65,363.84)
<b>Cash generated from operation</b>	<b>453,706.09</b>	<b>(119,554.44)</b>
Income tax	20,630.98	39,038.66
<b>Net cash inflow / (outflow) from operating activities (A)</b>	<b>474,337.07</b>	<b>(158,593.10)</b>
<b>B. Cash Flow From Investing Activities</b>		
Purchase of property, plant and equipment's	(327,652.29)	-
Interest received	11,512.62	8,233.10
Redemption of fixed deposits	33,426.83	81,241.17
<b>Net cash (outflow) / Inflow from investing activities (B)</b>	<b>(282,712.84)</b>	<b>89,474.27</b>
<b>C. Cash Flow From Financing Activities</b>		
(Repayment of) / proceeds from borrowings	(5,162.42)	210,887.64
Finance cost paid	(169,386.26)	(166,335.65)
<b>Net Cash (outflow) / Inflow from financing activities (C)</b>	<b>(174,548.68)</b>	<b>44,551.99</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>17,075.55</b>	<b>(24,566.84)</b>
Cash & Cash Equivalents at the beginning of the year	7,889.76	32,456.60
<b>Closing Cash &amp; Cash Equivalents</b>	<b>24,965.31</b>	<b>7,889.76</b>
<b>Reconciliation of Cash &amp; Cash Equivalents</b>		
Cash and Cash Equivalents as per Balance Sheet	24,965.31	7,889.76
<b>Cash and Cash equivalents as at the end of the year</b>	<b>24,965.31</b>	<b>7,889.76</b>

As per our Report of even date attached

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

**Dheeraj Wadhwa**  
(Partner)  
Membership No. 091143  
UDIN - 23091143BGZBAE3808

Date : 25/05/2023  
Place : Noida

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

**Rajinder Kaul**  
Managing Director  
DIN - 01609805

**Garvita Asati**  
Chief Financial Officer

**Sanjay Verma**  
Executive Director  
DIN-DIN-08139841

**Aditya Sharma**  
Company Secretary



**Statement of changes in equity for the year ended 31 March 2023**

**A. Equity share capital**

**Balance as at 31 March 2023**

**(₹ in Hundreds)**

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
2,165,000.00	-	2,165,000.00	-	2,165,000.00

**Balance as at 31 March 2022**

**(₹ in Hundreds)**

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
1,082,500.00	-	1,082,500.00	1,082,500.00	2,165,000.00

**B. Other equity**

**(₹ in Hundreds)**

Particulars	Reserves and surplus			Total
	General reserve	Securities premium reserve	Retained earnings	
<b>Balance as at 1 April 2021</b>	<b>10,000.00</b>	<b>920,629.01</b>	<b>528,136.05</b>	<b>1,458,765.06</b>
<b>Additions during the year:</b>				
Profit/(Loss) for the year	-	-	(32,771.33)	(32,771.33)
Others	-	-	110,147.74	110,147.74
Other comprehensive income for the year, net of income tax	-	-	(2,898.02)	(2,898.02)
Shares issued		(920,629.01)	(161,871.00)	(1,082,500.01)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>(920,629.01)</b>	<b>(87,392.61)</b>	<b>(1,008,021.62)</b>
<b>Balance as at 31 March 2022</b>	<b>10,000.00</b>	<b>-</b>	<b>440,743.44</b>	<b>450,743.44</b>
<b>Additions during the year:</b>				
Profit/(Loss) for the year	-	-	(332,276.90)	(332,276.90)
Impact of reversal of loss booked of joint venture	-	-	<b>88,118.08</b>	<b>88,118.08</b>
<b>Other comprehensive income for the year, net of income tax</b>	<b>-</b>	<b>-</b>	<b>(581.68)</b>	<b>(581.68)</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>(244,740.50)</b>	<b>(244,740.50)</b>
<b>Balance as at 31 March 2023</b>	<b>10,000.00</b>	<b>-</b>	<b>196,002.94</b>	<b>206,002.94</b>

As per our Report of even date attached

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

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

**Dheeraj Wadhwa**  
(Partner)  
Membership No. 091143  
UDIN - 23091143BGZBAE3808

**Rajinder Kaul**  
Managing Director  
DIN - 01609805

**Sanjay Verma**  
Executive Director  
DIN-DIN-08139841

Date : 25/05/2023  
Place : Noida

**Garvita Asati**  
Chief Financial Officer  
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**Aditya Sharma**  
Company Secretary



Note 3 : Property, plant & equipment										
Particulars	Land	Plant & Machinery	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Building	Total		
<b>Cost or Deemed Cost</b>										
Balance as at 1 April 2021	233,680.77	79,116.73	4,198.23	54,598.27	2,475.42	8,149.94	148,836.05	531,055.41		
Additions	-	244.68	-	-	-	-	-	244.68		
Disposals	-	-	-	423.73	-	-	-	423.73		
Adjustments	-	-	-	-	-	-	-	-		
<b>Balance as at 31 March 2022</b>	<b>233,680.77</b>	<b>79,361.41</b>	<b>4,198.23</b>	<b>54,174.54</b>	<b>2,475.42</b>	<b>8,149.94</b>	<b>148,836.05</b>	<b>530,876.36</b>		
Additions	-	-	-	-	338.45	1,058.45	74,338.65	75,735.55		
Disposals	-	-	-	-	-	-	-	-		
<b>Adjustments</b>	<b>97,375.00</b>	-	-	-	-	-	-	<b>97,375.00</b>		
Balance as at 31 March 2023	136,305.77	79,361.41	4,198.23	54,174.54	2,813.87	9,208.39	223,174.70	509,236.91		
<b>Accumulated Depreciation</b>										
Balance as at 1 April 2021	-	15,341.20	458.98	19,596.02	1,628.57	3,062.27	14,906.37	54,993.41		
Depreciation for the Year	-	12,316.39	323.39	12,425.31	586.01	2,109.96	13,405.40	41,166.46		
<b>Disposals</b>	-	-	-	-	-	-	-	-		
Balance as at 31 March 2022	-	27,657.59	782.37	32,021.33	2,214.58	5,172.23	28,311.77	96,159.87		
Depreciation for the Year	-	3,793.15	616.72	7,882.06	323.42	1,609.09	12,341.93	26,566.37		
Disposals	-	-	-	-	-	-	-	-		
<b>Balance as at 31 March 2023</b>	-	<b>31,450.74</b>	<b>1,399.09</b>	<b>39,903.39</b>	<b>2,538.00</b>	<b>6,781.32</b>	<b>40,653.70</b>	<b>122,726.24</b>		
<b>Net Book Value</b>										
Balance as at 31 March 2023	136,305.77	47,910.67	2,799.14	14,271.15	275.87	2,427.07	182,521.00	386,510.67		
Balance as at 31 March 2022	233,680.77	51,703.82	3,415.86	22,153.21	260.84	2,977.71	120,524.28	434,716.49		



**Note 3A Capital work-in-progress**

**Capital work-in-progress (CWIP) as at 31 March 2023**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
Projects in progress	305,454.71	-	-	-	305,454.71
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>305,454.71</b>	-	-	-	<b>305,454.71</b>

**Capital work-in-progress (CWIP) as at 31 March 2022**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

There is no project under CWIP where completion is overdue. Further there is no project which has exceeded in cost compare to its original plan.

**Note 4 Right of use of assets**

Particulars	Amount
<b>Gross Block</b>	
<b>As at 1 April 2021</b>	-
Add: Additions	-
Less: Disposals/adjustments	-
<b>As at 31 March 2022</b>	-
Add: Additions	43,837.03
Less: Disposals/adjustments	-
<b>As at 31 March 2023</b>	<b>43,837.03</b>
<b>Accumulated depreciation</b>	
<b>As at 1 April 2021</b>	-
Charge for the period	-
Less: Disposals/adjustments	-
<b>As at 31 March 2022</b>	-
Charge for the period	6,675.74
Less: Disposals/adjustments	-
<b>As at 31 March 2023</b>	<b>6,675.74</b>
<b>Net carrying amount</b>	
<b>As at 31 March 2022</b>	-
<b>As at 31 March 2023</b>	<b>37,161.29</b>

**Note 5 Non - current investments**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Financial assets carried as cost:</b>		
<b>Investments in equity instruments (unquoted, fully paid up)</b>		
Elettromeccanica India Private Limited	-	(92,199.03)
<b>Total</b>	-	<b>(92,199.03)</b>





**Note 6 Loans**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Inter corporate loans	(6,335.00)	13,860.05
<b>Total</b>	<b>(6,335.00)</b>	<b>13,860.05</b>

**Note 7 Other financial assets - non current**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Bank deposits with maturity for more than 12 months	5,551.65	172,885.24
Earnest money deposit	3,781.27	-
<b>Total</b>	<b>9,332.92</b>	<b>172,885.24</b>

**Note 8 Deferred tax assets**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Deferred Tax Assets on account of Deductible Temporary differences</b>		
Property, plant and equipments, Intangible assets and right of use assets	70,394.78	71,519.48
Lease Liabilities	(9,635.07)	-
Others	14,492.44	-
<b>Total</b>	<b>75,252.15</b>	<b>71,519.48</b>

**Note 9 Other non current assets**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Security deposit	-	7,423.87
Deferred revenue expenditure	-	51,538.94
Deposit	34,735.34	270,767.60
Non Current Assets recoverable	-	224,696.00
Recoverable Duties & Taxes from Government	-	50,466.81
Duties and Taxes	-	213,903.09
<b>Total</b>	<b>34,735.34</b>	<b>818,796.31</b>

**Note 10 Inventories**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Finished goods	9,28,901.83	11,33,902.48
<b>Total</b>	<b>928,901.83</b>	<b>1,133,902.48</b>



**Note 11 Contract assets**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Unbilled revenue</b>		
Considered good	176,940.00	-
<b>Total</b>	<b>176,940.00</b>	-

**Note 12 Trade receivables**

(₹ in Hundreds)

Particulars	As at31 March 2023	As at31 March 2022
<b>Unsecured:</b>		
Considered good	2,235,659.66	2,892,207.03
Credit impaired		
	<b>2,235,659.66</b>	<b>2,892,207.03</b>
Less: Impairment allowance		
<b>Total</b>	<b>2,235,659.66</b>	<b>2,892,207.03</b>

**Note 13 Cash and bank balances (₹ in Hundreds)**

Particulars	As at31 March 2023	As at31 March 2022
<b>A) Cash &amp; cash equivalents</b>		
(I) Cash on hand	3,782.38	6733.62
(II) Balances with Banks		
(i) In Current account	21,1827.93	156.14
<b>Sub total</b>	<b>24,965.31</b>	<b>7,889.76</b>
<b>B) Other bank balances</b>		
Deposits with remaining maturity more than 3 months and less than 12 months	1,33,906.76	-
<b>Sub total</b>	<b>1,33,906.76</b>	-
<b>Total</b>	<b>1,58,872.07</b>	<b>7,889.76</b>

**Note 14 Loans - Current**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Inter corporate loans	253,624.83	272,572.36
Inter corporate loans - related party	166,552.80	-
Others	-	<b>184,596.28</b>
<b>Total</b>	<b>420,177.63</b>	<b>457,168.64</b>



**Note 15 Other financial assets - current**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Earnst money deposit	90,037.98	185,802.23
Others	4,857.50	5,566.38
<b>Total</b>	<b>94,895.48</b>	<b>191,368.61</b>

**Note 16 Other current assets**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Prepaid expenses	6,797.42	1,930.63
Duties and Taxes	9,300.68	-
Other current assets	178,780.59	-
<b>Total</b>	<b>194,878.69</b>	<b>1,930.63</b>

**Note 17 Current tax assets (net)**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Current tax assets	12,860.54	71,441.37
<b>Total</b>	<b>12,860.54</b>	<b>71,441.37</b>

**Note 18 Share Capital**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>(a) Authorised</b>		
Equity Shares Rs. 5/- par value 4,40,00,000 (as at 31 March 2022: 4,40,00,000) Equity shares	22,00,000.00	22,00,000.00
<b>Total</b>	<b>22,00,000.00</b>	<b>22,00,000.00</b>
<b>(b) Issued</b>		
Equity Shares Rs. 5/- par value 4,33,00,000 Equity shares fully paid (as at 31 March 2022 : 4,33,00,000 Equity Share of Rs. 10/- each)	2,165,000.00	2,165,000.00
<b>Total</b>	<b>2,165,000.00</b>	<b>2,165,000.00</b>
<b>(c) Subscribed and fully paid up</b>		
Equity Shares Rs. 5/- par value 4,33,00,000 Equity shares fully paid (as at 31 March 2022 : 4,33,00,000 Equity Share of Rs. 10/- each)	2,165,000.00	2,165,000.00
<b>Total</b>	<b>2,165,000.00</b>	<b>2,165,000.00</b>

**18.1 Reconciliation of the number of equity shares and share capital :**

(₹ in Hundreds)



Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	Amount	No. of Shares	Amount
Issued / Subscribed and paid up equity capital outstanding at the beginning of the year	43,300,000	2,165,000.00	43,300,000	2,165,000.00
Add: Shares issued during the year	-	-	-	-
Issued / Subscribed and paid up equity capital outstanding at the end of the year	<b>43,300,000</b>	<b>2,165,000.00</b>	<b>43,300,000</b>	<b>2,165,000.00</b>

### 18.2 Terms / rights attached to equity shares

The Company has only one class of Equity Shares having a par value of Rs. 5 per share. Each shareholders is eligible for one vote per share held.

In the event of liquidation of the Company, the holders of equity shares will be entitle to receive any of the remaining assets of the Company, after distribution of preferential amount, if any. The distribution will in proportion of the number of equity shares held by the shareholders.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuring Annual General Meeting, except in case of interim dividend.

### 18.3 Detail of shareholders holding more than 5% shares of the Company :

Name Of Shareholder	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	Percentage	No. of Shares	Percentage
Rajinder Kaul	7,904,000	18%	7,904,000	18%
Ravinder Bhan	5,428,832	13%	5,428,832	13%
Arun Kaul	5,428,528	13%	5,428,528	13%
Sanjay Verma	4,342,640	10%	4,342,640	10%
Vikash Pandey	-	0%	-	0%
Meghana Zutshi Kaul	2,171,472	5%	2,171,472	5%
<b>Total</b>	<b>25,275,472</b>		<b>25,275,472</b>	

### 18.4 Details of Shares held by promoters and promoter group :

Name of Shareholder	As at 31 March 2023	As at 31 March 2022	% change during the year
Rajinder Kaul	7,904,000	7,904,000	0%
Ravinder Bhan	5,428,832	5,428,832	0%
Arun Kaul	5,428,528	5,428,528	0%
Name of Shareholder	As at 31 March 2022	As at 31 March 2021	% change during the year
Rajinder Kaul	7,904,000	1,976,000	300%
Ravinder Bhan	5,428,832	1,357,208	300%
Arun Kaul	5,428,528	1,357,132	300%



**Note 19 Other equity**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Retained earnings	196,002.94	440,743.44
General reserves	10,000	10,000
<b>Total</b>	<b>206,002.94</b>	<b>450,743.44</b>

**Note 19.1 General reserve**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance as at the beginning of the year	10,000.00	10,000.00
<b>Closing balance</b>	<b>10,000.00</b>	<b>10,000.00</b>

**Note 19.2 Retained earnings**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance as at the beginning of the year	440,743.44	528,136.05
<b>Add: Profit / (loss) during the year</b>	<b>(332,276.90)</b>	<b>(32,771.33)</b>
Add: Other comprehensive income arising from remeasurement of defined benefit obligation	(581.68)	(2,898.02)
Others	88,118.08	110,147.74
Less : Bonus share issue	-	(161,871.00)
Closing balance	196,002.94	440,743.44

Nature and purpose of Reserves

General Reserve :

"General Reserve is used from time to time to transfer profits from Retained Earnings for appropriation purposes. As the General Reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in General Reserve will not be reclassified subsequently to Statement of Profit and Loss."

Retained Earning :

Retained Earnings are the profits of the Company earned till date net of appropriation.

**Note 20 Borrowings - Non current**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>(a) Secured</b>		
Term loan		
Bank	439,994.49	675,707.17
Other than bank	80,185.53	81,430.65
Vehicle loan	27,151.67	41,095.16
<b>(b) Unsecured</b>		
Term loan		
Bank	90,888.23	-



Other than banks	70,557.44	133,326.10
	<b>708,777.36</b>	<b>931,559.08</b>
Less: current maturities of long term borrowings	183,854.71	80,036.66
<b>Total</b>	<b>524,922.65</b>	<b>851,522.42</b>

Terms of Repayment - Refer note 51(a)

**Note 21 Lease liabilities**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Lease liabilities	25,374.34	
<b>Total</b>	<b>25,374.34</b>	<b>-</b>

**Note 22 Long term provisions**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Gratuity	44,868.69	40,927.37
Leave encashment	8,076.55	11,852.46
Leave travel allowance	-	484.76
Provision of expenses	-	158,069.22
<b>Total</b>	<b>52,945.24</b>	<b>211,333.81</b>

**Note 23 Borrowings - current**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Loan Repayable on Demand</b>		
<b>Cash credit with J&amp;K Bank</b>	333,778.74	289,000.58
Short term loan from NSIC Ltd	99,940.64	194,126.09
Loan from related parties	252,939.10	28,141.40
Current maturity of long term borrowings	183,854.71	80,036.66
<b>Total</b>	<b>870,513.19</b>	<b>591,304.73</b>

**Note 24 Trade payables**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Total outstanding dues of micro enterprises and small enterprises;	1,300.94	78,202.98
Total outstanding dues of creditors other than micro enterprises and small enterprises	743,738.31	1,306,795.71
<b>Total</b>	<b>745,039.25</b>	<b>1,384,998.69</b>

\*Trade Payables are subject to balance confirmation.



**Note 25 Lease liabilities**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Lease liabilities	12,908.69	-
<b>Total</b>	<b>12,908.69</b>	<b>-</b>

**Note 26 Other financial liabilities - current**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Employees payable	51,470.11	-
Capital creditor	236,596.48	-
Others payable	43,814.67	-
<b>Total</b>	<b>331,881.26</b>	<b>-</b>

**Note 27 Other current liabilities**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Tax deducted at source and other statutory dues	123,555.73	151,842.00
Advance from customer	-	230,361.56
Other Payables	-	98,053.71
<b>Total</b>	<b>123,555.73</b>	<b>480,257.27</b>

**Note 28 Provisions - current**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Gratuity	3,913.39	2,987.04
Leave encashment	724.19	1,011.30
Leave travel allowance	-	3,747.24
Provision of expenses	-	206.70
<b>Total</b>	<b>4,637.58</b>	<b>7,952.28</b>

**Note 29 Current tax liabilities (net)**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Current tax liabilities	2,517.11	32,374.42
<b>Total</b>	<b>2,517.11</b>	<b>32,374.42</b>

**Note 30 Revenue from operations**

(₹ in Hundreds)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Sale of products	3,765,750.91	2,833,875.73
Rendering of services	1,198,922.37	1,083,744.77
Reimbursement of customs clearance and related charges	71,931.37	-
Scraps sale	-	2,562.25
<b>Total</b>	<b>5,036,604.65</b>	<b>3,920,182.75</b>



**Note 31 Other income**

(₹ in Hundreds)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>Interest income on financial assets carried at amortised cost</b>		
On fixed deposits with banks	11,512.62	8,233.12
On security deposit	105.34	-
Other non-operating income		
Foreign exchange fluctuation (net)	2,895.88	7,400.22
Miscellaneous income	21,409.51	30,799.59
<b>Total</b>	<b>35,923.35</b>	<b>46,432.93</b>

**Note 32 Cost of raw materials consumed**

(₹ in Hundreds)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Cost of material consumed	3,895,342.51	3,247,154.67
<b>Total</b>	<b>3,895,342.51</b>	<b>3,247,154.67</b>

**Note 32A Change in inventories**

(₹ in Hundreds)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Opening stock	1,133,902.48	847,254.34
Closing stock	928,901.83	1,133,902.48
<b>Net decrease/(increase)</b>	<b>205,000.65</b>	<b>(286,648.14)</b>

**Note 33 Employee benefits expense**

(₹ in Hundreds)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Salaries and wages	339,546.28	440,843.89
Contribution to provident and other funds	18,240.84	18,591.33
Staff welfare expense	3,374.42	8,865.33
<b>Total</b>	<b>361,161.54</b>	<b>468,300.55</b>

**Note 34 Finance cost**

(₹ in Hundreds)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>Interest on financial liabilities at amortised cost</b>		
Interest on borrowings	148,072.36	140,718.29
Lease liability interest	1,874.82	-
<b>Other borrowings costs</b>		
Other borrowings costs	19,439.08	25,617.36
<b>Total</b>	<b>169,386.26</b>	<b>166,335.65</b>





**Note 35 Depreciation and amortisation**

(₹ in Hundreds)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Depreciation of property, plant and equipment	33,242.11	41,166.46
<b>Total</b>	<b>33,242.11</b>	<b>41,166.46</b>

**Note 36 Other expenses**

(₹ in Hundreds)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Auditor's Remuneration	3,850.00	3,850.00
Business promotion	7,340.40	5,974.96
Bank Charges	1,289.73	920.76
Bad Debts	401,431.92	8,873.97
Conveyance Expenses	8,333.00	9,214.70
Contractor expenses	11,568.30	-
Director Sitting Fees	1,060.00	-
Electricity Charges	10,450.30	10,481.06
Freight Outwards	77,114.90	14,907.99
Insurance Charges	989.09	7,488.85
Interest and Penalty Charges	10,178.46	13,858.57
Liquidity Damages	19,443.33	-
Rent	19,961.54	12,088.70
Legal & Professional Charges	50,301.87	50,217.13
Miscellaneous Expenses	12,174.03	11,141.69
Subscription, Registration & other Fees	4,498.26	10,761.84
Office Maintenance Expenses	1,408.41	3,759.76
Printing and Stationery Expenses	3,963.41	1,829.05
Rates & Taxes	6,879.04	1,614.63
Repair & Maintenance	7,428.18	5,754.72
Tender fee	1,335.74	2,586.88
Telephone Expenses	3,206.35	13,530.63
Travelling Expenses	51,807.86	61,011.28
Vehicle Running & Hiring Charges	13,220.21	15,029.72
<b>Total</b>	<b>729,234.33</b>	<b>264,896.89</b>

**Note 37 : Earnings per share**

Particulars	2022-23	2021-2022
<b>Basic and Diluted earnings per share</b>		
Profit/(loss) for the year (₹ in hundreds)	(332,276.90)	(32,771.33)
Weighted average number of equity shares used in calculation of basic and diluted EPS (Nos.)	43,300,000	43,300,000
Nominal value of each share (in ₹)	5.00	5.00
Basic and Diluted earnings/(loss) per share (in ₹)	(0.77)	(0.08)



**Note 38 : Employee benefits:**

**(a) Defined Contribution Plans**

The Company contributes to the Government managed provident and pension fund for all qualifying employees.

Contribution to provident fund of ₹ 16,972.27 (previous year: ₹ 16,665.07) is recognized as an expense and included in "Contribution to provident and other funds" in Statement of Profit and Loss.

**(b) Defined Benefit Plans:**

The Company has defined benefit plan for payment of gratuity to all qualifying employees. It is governed by the Payment of Gratuity Act, 1972. Under this Act, an employee who has completed five years of service is entitled to the specified benefit. The level of benefits provided depends on the employee's length of service and salary at retirement age. The Company's defined benefit plan is unfunded.

There are no other post retirement benefits provided by the Company.

The most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at 31 March 2023 and 31 March 2022 by Mithras Consultants, Fellow of the Institute of the Actuaries of India. The present value of the defined benefit obligation, the related current service cost and past service cost, were measured using the projected unit credit method.

Particulars	Gratuity	
	As at 31 March 2023	As at 31 March 2022
Opening defined benefit obligation	580.29	562.88
Interest cost	41.49	37.66
Current service cost	93.08	99.40
Benefits paid	-	(48.47)
Actuarial (gain) / loss on obligations	(145.53)	(71.17)
<b>Present value of obligation as at the year end</b>	<b>569.33</b>	<b>580.29</b>

**Components of amounts recognised in profit or loss and other comprehensive income are as under:**

Gratuity	As at 31 March 2023	As at 31 March 2022
Current service cost	93.08	99.40
Interest cost	41.49	37.66
<b>Amount recognised in profit or loss</b>	<b>134.57</b>	<b>137.06</b>
Actuarial (gain)/loss		
a) arising from changes in financial assumptions	(13.94)	(30.71)
b) arising from experience adjustments	(131.59)	(40.46)
<b>Amount recognised in other comprehensive income</b>	<b>(145.53)</b>	<b>(71.17)</b>
<b>Total</b>	<b>(10.96)</b>	<b>65.89</b>



The principal assumptions used for the purposes of the actuarial valuations of gratuity are as follows:

Particulars	31-March-2023	31-March-2022
Discount rate	7.38%	7.15%
Expected rate of salary increase	8.00%	8.00%
Employee attrition rate	5.00%	5.00%
Mortality	IALM(2012-14) Ultimate Mortality Table	IALM(2012-14)Ultimate Mortality Table

Estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

These plans typically expose the Company to actuarial risks such as interest rate risk and salary risk.

- a) Interest risk: a decrease in the bond interest rate will increase the plan liability.
- b) Salary risk: the present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, a variation in the expected rate of salary increase of the plan participants will change the plan liability.
- c) Investment risk-since the scheme is unfunded the Company is not exposed to investment risk.

#### Sensitivity Analysis

Significant actuarial assumptions for the determination of defined obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Particulars	(₹ in Lakhs)	
	Gratuity	
	2022-23	2021-22
Impact on present value of defined benefit obligation:		
If discount rate is increased by 0.50% (PY 0.50%)	(29.06)	(30.95)
If discount rate is decreased by 0.50% (PY 0.50%)	31.71	33.86
If salary escalation rate is increased by 0.50% (PY 0.50%)	29.88	32.35
If salary escalation rate is decreased by 0.50% (PY 0.50%)	(27.79)	(29.84)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.



**Discounted Expected outflow in future years (as provided in actuarial report)**

Particulars	2022-23	2021-22
	Gratuity	
Expected outflow in 1st Year	31.88	39.71
Expected outflow in 2nd Year	55.49	27.07
Expected outflow in 3rd Year	27.29	42.48
Expected outflow in 4th Year	26.89	26.63
Expected outflow in 5th Year	23.07	25.18
Expected outflow in 6th Year onwards	404.71	419.23

The average duration of the defined benefit plan obligation at the end of the reporting period is 11 years.

**(c) Other short term and long term employment benefits:**

**Annual leave & short term leave**

The liability towards compensated absences (annual and short term leave) for the year ended 31 March 2023 based on actuarial valuation carried out by using Projected accrued benefit method results decrease in liability by ₹ 4,063.02 hundreds (previous year : increase in liability by ₹ 2,274.78 hundreds), which is included in the employee benefits in the Statement of Profit and Loss.

**The principal assumptions used for the purposes of the actuarial valuations of compensated absences are as follows:**

Particulars	As at	
	31 March 2023	31 March 2022
Discount rate	7.38%	7.15%
Expected rate of salary increase	8.00%	8.00%
Employee Attrition Rate	5.00%	5.00%
Mortality	IALM(2012-14)Ultimate Mortality Table	IALM(2012-14)Ultimate Mortality Table

**Note 39 : Related Party Disclosures:**

**(i) Where control exists :**

Elettromeccanica India Private Limited - joint venture

**(ii) Other related parties with whom there are transactions during the year**

**Key Management Personnel (KMP)**

Mr. Rajinder Kaul - Whole-time director

Mr. Ravinder Bhan - Whole-time director

Mr. Arun Kaul - Whole-time director

Mr. Sanjay Verma - Whole-time director

Ms. Garvita Asati - Chief financial officer

Mr. Aditya Sharma - Company secretary

Mr. Kush Mishra - Company secretary



The following table summarizes related-party transactions and balances included in the standalone financial statements: ( in Hundreds)

Particulars	Joint venture		Key Management Personnel (KMP)		Total
	2022-2023	2021-2022	2022-2023	2021-2022	
<b>(A) Transactions during the year</b>					<b>2021-2022</b>
<b>Loan taken during the year</b>					
Rajinder Kaul	-	-	-	63,935.53	63,935.53
Arun Kaul	-	-	-	6,700.00	6,700.00
Ravinder Bhan	-	-	-	4,000.00	4,000.00
Sanjay Verma	-	-	-	4,000.00	4,000.00
Elettromeccanica India Private Limited	17,955.05	37,310.00	-	-	37,310.00
<b>Total</b>	<b>17,955.05</b>	<b>37,310.00</b>	<b>-</b>	<b>78,635.53</b>	<b>1,15,945.53</b>
<b>Loan repaid during the year</b>					
Rajinder Kaul	-	-	-	1,19,144.36	1,19,144.36
Arun Kaul	-	-	-	-	-
Ravinder Bhan	-	-	-	4,000.00	4,000.00
Sanjay Verma	-	-	-	4,000.00	4,000.00
Elettromeccanica India Private Limited	14,095.00	6,192.12	-	-	6,192.12
<b>Total</b>	<b>14,095.00</b>	<b>6,192.12</b>	<b>-</b>	<b>1,27,144.36</b>	<b>1,33,336.48</b>
<b>Purchases</b>					
Elettromeccanica India Private Limited	-	1,93,202.36	-	-	1,93,202.36
<b>Total</b>	<b>-</b>	<b>1,93,202.36</b>	<b>-</b>	<b>-</b>	<b>1,93,202.36</b>



Particulars	Joint venture		Key Management Personnel (KMP)				Total	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
<b>(B) Balance as at the end of the year</b>								
<b>Advances to directors</b>								
Sanjay Verma	-	-	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00
<b>Total</b>	-	-	<b>2,000.00</b>	<b>2,000.00</b>	<b>2,000.00</b>	<b>2,000.00</b>	<b>2,000.00</b>	<b>2,000.00</b>
<b>Loan from director</b>								
Rajinder Kaul	-	-	1,00,741.40	21,441.40	1,00,741.40	1,00,741.40	21,441.40	21,441.40
Arun Kaul	-	-	-	6,700.00	-	-	6,700.00	6,700.00
<b>Total</b>	-	-	<b>1,00,741.40</b>	<b>28,141.40</b>	<b>1,00,741.40</b>	<b>1,00,741.40</b>	<b>28,141.40</b>	<b>28,141.40</b>
<b>Remuneration payable</b>								
Rajinder Kaul	-	-	53,000.00	7,400.00	53,000.00	53,000.00	7,400.00	7,400.00
Ravinder Bhan	-	-	96.98	1,571.20	96.98	96.98	1,571.20	1,571.20
Arun Kaul	-	-	-	1,250.00	-	-	1,250.00	1,250.00
Sanjay Verma	-	-	-	1,650.00	-	-	1,650.00	1,650.00
Kush Mishra	-	-	-	350.00	-	-	350.00	350.00
<b>Total</b>	-	-	<b>53,096.98</b>	<b>12,221.20</b>	<b>53,096.98</b>	<b>53,096.98</b>	<b>12,221.20</b>	<b>12,221.20</b>
<b>Inter-Corporate deposit receivable</b>								
Elettromeccanica India Private Limited	-	3,860.05	-	-	-	-	-	3,860.05
<b>Total</b>	-	<b>3,860.05</b>	-	-	-	-	-	<b>3,860.05</b>



**C) Guarantee**

**Directors gaurantee - CC Limit - Rajinder Kaul and Arun Kaul**

**Notes:**

- (a) Sales, purchases and service transactions with the related parties are exclusive of taxes and made at arm's length price.
- (b) Amounts outstanding are unsecured and will be settled in cash or receipts of goods and services.
- (c) No expense has been recognised for the year ended 31 March 2023 and 31 March 2022 for bad or doubtful trade receivables in respect of amounts owed by related parties.
- (d) There have been no gurantees received or provided for any related party receivables or payables.
- (e) Compensation of Key management personnel:

<b>Particulars</b>	<b>2022-23</b>	<b>2021-22</b>
<b>Remuneration paid:</b>		
Rajinder Kaul	14,000.00	37,070.00
Arun Kaul	14,000.00	37,070.00
Ravinder Bhan	14,000.00	37,070.00
Sanjay Verma	10,640.00	37,070.00
Garvita Asati	3,636.48	-
Aditya Sharma	861.25	-
Kush Mishra	2,237.05	4,508.32
Sitting fees paid to directors	-	-
<b>Total</b>	<b>59,374.78</b>	<b>152,788.32</b>

<b>Particulars</b>	<b>2022-23</b>	<b>2021-22</b>
Short term benefits	59,374.78	152,788.32
Post employment benefits:*		
Long term employment benefits:*		
Share based payments	-	-
Termination benefits	-	-
Sitting fees paid to directors	-	-
<b>Total</b>	<b>59,374.78</b>	<b>152,788.32</b>

\*As the liabilities for the defined benefit plans and other long term benefits are provided on actuarial basis for the Company , the amount pertaining to KMP are not included above.



#### Note 40 : Capital Management

For the purpose of the Company's capital management, capital includes issued equity share capital, security premium and all other equity reserves attributable to the equity holders of the Company.

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations, if any.

The gearing ratio at the end of the reporting period was as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current borrowings	524,922.65	851,522.42
Current borrowings	870,513.19	591,304.73
Interest accrued but not due on borrowings	-	-
<b>Total Debt</b>	<b>1,395,435.84</b>	<b>1,442,827.15</b>
Less: Cash and bank balances	158,872.07	7,889.76
<b>Net debt</b>	<b>1,236,563.77</b>	<b>1,434,937.39</b>
Total equity	2,371,002.94	2,615,743.44
<b>Net debt to equity %</b>	<b>52.15%</b>	<b>54.86%</b>

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March, 2023 and 31 March, 2022.

#### Note 41: Financial Instruments

##### (i) Categories of financial instruments

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Financial assets</b>		
<b>Measured at amortised cost</b>		
(a) Cash and bank balances	158,872.07	7,889.76
(b) Trade receivables	2,235,659.66	2,892,207.03
(c) Loans	413,842.63	471,028.69
(d) Other financial assets	104,228.40	364,253.85
	<b>2,912,602.76</b>	<b>3,735,379.33</b>
<b>Total financial assets</b>	<b>2,912,602.76</b>	<b>3,735,379.33</b>





<b>Measured at amortised cost</b>		
(a) Borrowings	1,433,718.87	1,442,827.15
(b) Trade payables	745,039.25	1,384,998.69
(c) Other financial liabilities	331,881.26	-
	<b>2,510,639.38</b>	<b>2,827,825.84</b>
<b>Total financial liabilities</b>	<b>2,510,639.38</b>	<b>2,827,825.84</b>

Investment in subsidiaries are classified as equity investments have been accounted at historical cost. Since these are scope out of Ind As 109 for the purpose of measurement, the same have not been disclosed in the table above.

The carrying amount reflected above represents the Company's maximum exposure to credit risk for such financial assets.

**(ii) Financial risk management**

The Company's finance function provides services to the business, coordinates access to financial market, monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposures by degree and magnitude of the risk. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The use of financial derivatives is governed by the Company's policies approved by the Board of Directors of the Company, which provide written principles on foreign exchange risk, interest rate risk, credit risk, the use of financial derivatives and non-derivative financial instruments and the investment of the excess liquidity. Compliance with policies and exposure limits is reviewed by the Company on a continuous basis. The Company does not enter into or trade financial instruments including derivative financial instruments for speculative purpose.

**(iii) Market Risk**

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

**(iv) (a) Foreign Currency risk management**

The Company is subject to the risk that changes in foreign currency values mainly impact the Company's cost of imports of materials/capital goods, royalty expenses and borrowings etc.

Foreign exchange transactions are covered with in limits placed on the amount of uncovered exposure, if any, at any point in time. The aim of the Company's approach to management of currency risk is to leave the Company with minimised residual risk.

**The carrying amount of unhedged Foreign Currency (FC) denominated monetary liabilities at the end of the reporting period are as follows:**

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Liabilities In USD</b>		
Trade Payable	3,299.62	385.13
<b>USD Total</b>	<b>3,299.62</b>	<b>385.13</b>



**The carrying amount of unhedged Foreign Currency (FC) denominated monetary assets at the end of the reporting period are as follows:**

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Liabilities</b>		
<b>In USD</b>		
Trade Payable	12,067.06	3,234.62
<b>USD Total</b>	<b>12,067.06</b>	<b>3,234.62</b>

**(iv) (b) Foreign Currency sensitivity analysis**

"The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar and Euro.

The following table details the Company's sensitivity to a 10% increase and decrease in the Rupees against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes unhedged external loans, receivables and payables in currency other than the functional currency of the Company.

A 10% strengthening of the INR against key currencies to which the Company is exposed (net of hedge) would have led to additional gain in the Statement of Profit and Loss. A 10% weakening of the INR against these currencies would have led to an equal but opposite effect."

Particulars	USD impact (net of tax)	
	As at 31 March 2023	As at 31 March 2022
Impact on profit or loss for the year	22,701.40	22,701.40
Impact on total equity as at the end of the reporting period	22,701.40	22,701.40

**(v) (a) Interest rate risk management**

Interest rate risk refers to the possibility that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The Company is exposed to interest rate risk because it borrows funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

**Interest rate sensitivity analysis**

The sensitivity analysis below have been determined based on the exposure to interest rates for floating rate liabilities at the end of the reporting period. For floating rate liabilities, a 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's profit for the year ended 31 March 2023 would decrease/increase by ₹ 4,449.91 net of tax (for the year ended 31 March 2022 decrease/increase by ₹ 4,768.29 net of tax). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.



**(vi) Other price risks**

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in equity instruments and mutual funds. The Company does not have investment in equity instruments, other than investments in subsidiary which are held for strategic rather than trading purposes. The Company does not actively trade these investments. The Company's investment in mutual funds are in debt funds. Hence the Company's exposure to equity price risk is minimal.

**(vii) Credit risk management**

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, investment in mutual funds, derivative financial instruments, other balances with banks, loans and other receivables.

**(a) Loans and other receivables**

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the loans given by the Company to the external parties. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

The Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

12 months ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense/income in the Statement of Profit and Loss under the head 'Other expenses'/'other income'.

**b) Other financial assets**

Credit risk arising from investment in debt funds, derivative financial instruments and other balances with banks is limited because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the various credit rating agencies. There are no collaterals held against such investments.

**Liquidity Risk Management**

Ultimate responsibility for liquidity risk management rests with the committee of board of directors of the Company, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.



### Liquidity and interest risk tables

The following table detail the analysis of derivative as well as non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

(₹ in Hundreds)

Particulars	Less than 1 year	1 to 5 year	5 years and above	Total
<b>As at 31 March 2023</b>				
Borrowings	883,421.88	470,460.42	79,836.57	1,433,718.87
Trade payables	745,039.25	-	-	745,039.25
Other financial liabilities	331,881.26	-	-	331,881.26
	1,960,342.39	470,460.42	79,836.57	2,510,639.38
<b>As at 31 March 2022</b>				
Borrowings	591,304.73	771,589.59	79,932.83	1,442,827.15
Trade payables	1,384,998.69	-	-	1,384,998.69
Other financial liabilities	-	-	-	-
	<b>1,976,303.42</b>	<b>771,589.59</b>	<b>79,932.83</b>	<b>2,827,825.84</b>

**(viii) Fair Value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis:**

Financial as-sets/(Financial liabilities)	Fair Value as at		Fair Value Hierarchy	Valuation Technique(s) & key inputs used	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	31 March 2023	31 March 2023				
					NA	NA

During the period, there were no transfers between Level 1 and level 2

**(ix) Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)**

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

**Note 42 : Income tax recognised in Statement of Profit and Loss**

(₹ in Hundreds)

Particulars	2022-2023	2021-2022
<b>Current tax</b>		
In respect of the current year	-	32,374.42
In respect of the earlier year	2,200.50	-
	<b>2,200.50</b>	<b>32,374.42</b>



<b>Deferred tax</b>		
In respect of the current year	9,237.00	(14,474.32)
In respect of the earlier year	-	-
	<b>9,237.00</b>	<b>(14,474.32)</b>
<b>Total income tax expense recognised in the current year</b>	<b>11,437.50</b>	<b>17,900.10</b>

The income tax expense for the year can be reconciled to the accounting profit as follows:

<b>Particulars</b>	<b>(₹ in Hundreds)</b>	
	<b>2022-2023</b>	<b>2021-2022</b>
Profit before tax	(294,126.46)	(14,871.23)
Income tax expense calculated at 25.17 % (2021-2022: 31.20 %)	(74,031.63)	(4,639.82)
Tax incentives	74,031.63	-
Others	-	670.51
Effect of expenses that are not deductible in determining taxable profits	9,237.00	(14,474.32)
	<b>9,237.00</b>	<b>(18,443.63)</b>
<b>Taxation pertaining to earlier years</b>	<b>2,200.50</b>	-
<b>Income tax expense recognised in Statement of Profit and Loss</b>	<b>11,437.50</b>	<b>(18,443.63)</b>

The tax rate used for the year ended 31 March 2023 and 31 March 2022 in reconciliations above is the corporate tax rate of 25.17 % and 31.20 % payable by corporate entities in India on taxable profits under the Indian tax law.

Provision for tax in the standalone financial statement for the year ended 31 March 2023 and year ended 31 March 2022 are only provisional in the respective years and subject to change at the time of filing of Income Tax Return based on actual addition/deduction as per provisions of Income Tax Act 1961.

#### **Note 43 : Contingent liabilities:**

- (a) Contingent liabilities as at 31 March 2023 : Rs. Nil (31 March 2022 : Rs. Nil)

#### **Note 44 : Capital and other Commitments**

- a) Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ (as at 31 March 2022: ₹ Nil).
- b) Bank guarantees issued by the Company to its customers for ₹ 3,80,680.70 hundreds (as at 31 March 2022 : ₹ 2,46,605.20 hundreds).

#### **Note 45: Balance confirmation**

The Company has a system of obtaining periodic confirmation of balances from banks, trade receivables/payables/advances to vendors and other parties (other than disputed parties). The balance confirmation letters as referred to in the Standard on Auditing (SA) 505 (Revised) 'External Confirmations', were sent to banks and parties and the party's balances are subject to confirmation/reconciliation. Considering the large amount of outstanding advances and certain balance confirmation are not received from the parties, SEL committee of the Board of Directors of operations in its meeting held on 24 March 2023, proposed for 100% physical verification of entire Property, Plant and Equipment / Inventory (together hereinafter referred to as "Assets") at all plant and locations of Company and its subsidiaries and same is under process as on date. Adjustments/restatement/impairment loss/provisions on advances, if any will be accounted for on confirmation/reconciliation of the same, which in the opinion of the management will not have a material impact on the financial statement.



**Note 46 : Segment information**

The Company is engaged only into single reportable Segment during the year as per Ind AS 108.

**Note 47 : Revenue from contracts with customers as per Ind AS 115**

**(A) Disaggregated revenue information**

In the following table, revenue from contracts with customers is disaggregated by primary major products and service lines. Since the Company has only one reportable business segment, no reconciliation of the disaggregated revenue is required:

**Reportable segment/Manufacture of Wind Turbine**

Particulars	2022-2023	2021-2022
<b>Major Product/ Service Lines</b>		
Sale of goods	3,765,750.91	2,833,875.73
Sale of services	1,198,922.37	1,083,744.77
Others	71,931.37	-
<b>Total</b>	<b>5,036,604.65</b>	<b>3,917,620.50</b>

**(B) Contract balances**

All the Trade Receivables and Contract Liabilities have been separately presented in notes to accounts.

**Note 48: Leases**

**Company as a lessee**

**Particulars of right-to-use assets and lease liabilities**

**i. Carrying value of right-of-use assets by class of underlying assets (₹ in Hundreds)**

Particulars	Buildings	Total
<b>Balance as at 31 March 2021</b>	-	-
Addition for the year		-
Depreciation for the year	-	-
<b>Balance as at 31 March 2022</b>	-	-
Addition for the year	43,837.03	43,837.03
Depreciation for the year	6,675.74	6,675.74
<b>Balance as at 31 March 2023</b>	<b>37,161.29</b>	<b>37,161.29</b>

**ii. Movement in lease liability during year ended (₹ in Hundreds)**

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Opening Balance</b>	-	-
Additions during the year	43,837.03	-
Deletions	-	-
Interest on lease liabilities	1,874.82	-
Payment of lease liabilities	7,428.82	-
<b>Closing Balance</b>	<b>38,283.03</b>	-



iii. **Contractual maturities of lease liabilities as at reporting date on an undiscounted basis:**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Maturity analysis - contractual undiscounted cash flows		
Less than one year	16,927.54	-
One to five years	28,048.05	-
More than five years	-	-
<b>Total undiscounted lease liabilities</b>	<b>44,975.59</b>	<b>-</b>

iv. **Amount recognized in statement of profit and loss**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Interest on lease liabilities	1,874.82	-
Included in rent expenses: Expense relating to short-term leases	19,961.54	12,088.70

v. **Amounts recognised in the statement of cash flows**

(₹ in Hundreds)

Particulars	As at 31 March 2023	As at 31 March 2022
Total cash outflow for leases	27,390.36	12,088.70

**Note 49 : Payment to Auditors**

(₹ in Hundreds)

Particulars	2022-2023	2021-2022
Audit fees	2,250.00	2,250.00
For other services	1,600.00	1,600.00
<b>Total</b>	<b>3,850.00</b>	<b>3,850.00</b>

Note : The above amounts are exclusive of GST

**Note 50 : Disclosure required under section 186(4) of the Companies Act, 2013**

i) **Loans to related party**

(₹ in Hundreds)

Particulars	31 March 2023	31 March 2022
Elettromeccanica India Private Limited	-	3,860.00

The above loans are unsecured. The inter-corporate deposits are repayable on demand and interest free. These loans are given for general business purposes.



**Note 51 (a) : Terms of repayment and securities for non-current borrowings**

Particular	As at 31st March 2023	As at 31st March 2022
i) Term loan from Jammu and Kashmir Bank 2,31,401.57. This loan is secured against the property of directors. The loan is repayable by repayment of principle of Rs. 5,000.00 and interest payment according to the market rate.	231,401.57	-
ii) (a) Vehicle term loan from HDFC Bank is secured by hypothecation of the said vehicle and carries interest @ 8.70 % p.a. The loan is repayable in balance 14 monthly instalments of ₹ 1,004.05. (b) Vehicle term loan from ICICI Bank is secured by hypothecation of the said vehicle and carries interest @ 9.40 % p.a. The loan is repayable in balance 45 monthly instalments of ₹ 362.15."	27,151.67	41,095.16
iii) MSME loan from Jammu and Kashmir Bank is under the government scheme of GECL and interest payment according to the market rate.	31,842.92	55,031.62
iv) Working capital term loan from Jammu and Kashmir Bank amounting Rs. 1,76,750.00 (Previous year 1,76,50.00) is under the government scheme of GECL and interest payment according to the market rate.	176,750.00	176,750.00
v) Term loan from India bulls Housing Finance Limited against the property of the Directors and interest payment according to the market rate.	80,185.53	80,250.75
vi) Term loan from Jammu and Kashmir Bank amounting Rs. Nil (Previous year Rs. 4,43,925.55) against the property of the Company and interest payment according to the market rate.	-	443,925.55
<b>Unsecured Loans</b>		
i) Credit Saison ₹ 31,781.97 (previous year ₹ Nil) carries interest rate of 17.50% p.a. The loan is repayable in remaining 31 monthly installments of ₹ 1,281.71.		
ii) Aditya Birla Finance Limited ₹ 16,355.18 (previous year ₹ 16,355.18) carries interest rate of 16.00% p.a. The loan is repayable in remaining 10 monthly installments of ₹ 1,757.86.		
iii) Hero Fincorp Ltd. ₹ 38,510.65 (previous year ₹ Nil) carries interest rate of 16.00% p.a. The loan is repayable in remaining 31 monthly installments of ₹ 1,762.48."	1,61,445.67	1,33,326.10
iv) ICICI Bank ₹ 38,510.65 (previous year ₹ Nil ) carries interest rate of 16.00% p.a. The loan is repayable in remaining 26 monthly installments of ₹ 1,762.48.		
v) IndusInd Bank ₹ 24,989.62 (previous year ₹ Nil) carries interest rate of 17.50% p.a. The loan is repayable in remaining 18 monthly installments of ₹ 1,738.90.		
vi) Unity Small Finance Bank ₹ 26,370.86 (previous year ₹ Nil) carries interest rate of 17.50% p.a. The loan is repayable in remaining 30 monthly installments of ₹ 1,091.59.		
vii) Loan from Syselec Technologies Private Limited is interest free.		

There are no defaults on repayment of principal or payment of interest on borrowings.





**Note 51 (b) : Terms of repayment and securities for current borrowings (₹ in Hundreds)**

Particulars	2022-2023	2021-2022
i) Cash credit loan from Jammu and Kashmir Limited and interest payment according to the market rate.	333,778.74	266,883.11
ii) Loan from National small industrial corporation of Rs. 99,940.63 (Previous year 1,94,126.09) against bank guarantee which carries interest rate of 14%.	99,940.64	194,126.09
iii) Loan from Directors is interest free and repayable on demand.	101,541.40	28,141.40

Note : The above amounts are exclusive of GST

**Note 52 : Trade Receivable Ageing**

**Trade Receivable ageing schedule As at 31 March 2023 (₹ in Hundreds)**

Particulars	Outstanding for following periods from due date of payment / date of transaction					Total
	Less than 6 month	6 months -1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) Undisputed Trade receivable considered good	14,45,898.63	384,388.10	77,055.36	169,931.49	158,386.08	22,35,659.66
(ii) Undisputed Trade receivable -which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivable -credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivable considered good	-	-	-	-	-	-
(v) Disputed Trade receivable -which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivable -credit impaired	-	-	-	-	-	-

**Trade Receivable ageing schedule As at 31 March 2022 (₹ in Hundreds)**

Particulars	Outstanding for following periods from due date of payment / date of transaction					Total
	Less than 6 month	6 months -1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) Undisputed Trade receivable considered good	11,04,178.53	271,941.30	348,400.47	254,277.06	982,375.83	1,856,994.66
(ii) Undisputed Trade receivable -which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivable -credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivable considered good	-	-	-	-	-	-
(v) Disputed Trade receivable -which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivable -credit impaired	-	-	-	-	-	-



**52a : Trade Payable Ageing**

**Trade Payable ageing schedule As at 31 March 2023**

(₹ in Hundreds)

Particulars	Outstanding for following periods from due date of payment / date of transaction				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) MSME	908.30	392.64	-	-	<b>1,300.94</b>
(ii) Others	347,335.92	272,842.89	32,553.51	91,005.97	<b>743,738.29</b>
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-

**Trade Payable ageing schedule As at 31 March 2022**

(₹ in Hundreds)

Particulars	Outstanding for following periods from due date of payment / date of transaction				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) MSME	78,202.98	-	-	-	<b>78,202.98</b>
(ii) Others	1,023,220.03	152,653.97	6,983.28	161,218.68	<b>1,344,075.96</b>
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-

**Note 52b : The particulars of dues to Micro and Small Enterprises under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act):**

Particulars	2022-23	2021-22
Principal amount due to suppliers under MSMED Act at the year end	1,300.94	78,202.98
Interest accrued and due to suppliers under MSMED Act on the above amount, unpaid at the year end.	-	-
Payment made to suppliers (other than interest) beyond the appointed date during the year	-	-
Interest paid to suppliers under section 16 of MSMED Act during the year	-	-
Interest due and payable to suppliers under MSMED Act for payments already made.	-	-
Interest accrued and not paid to suppliers under MSMED Act up to the year end.	-	-

**Note 53 :** The company has a comprehensive system of maintenance of information and documents as required by the Goods and Services Act("GST Act"). Since the GST Act requires existence of such information and documentation to be contemporaneous in nature, books of accounts of the company are also subject to filing of GST Periodic and Annual Return as per applicable provisions of GST Act to determine whether the all transactions have been duly recorded and reconcile with the GST Portal. Adjustments, if any, arising while filing the GST Annual Return shall be accounted for as and when the return is filed for the current financial year. However, the management is of the opinion that the aforesaid annual return will not have any material impact on the Standalone financial statements.



**Note 54 : Corporate Social Responsibility (CSR)**

(a) The gross amount required to be spent by the Company during the year towards Corporate Social Responsibility is Nil (previous year: Nil).

(b) Amount spent during the year ended 31 March 2023: (₹ in Hundreds)

Particulars	In Cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any fixed assets	Nil (Nil)	Nil (Nil)	Nil (Nil)
(ii) On purpose other than (i) above - Donations	Nil (Nil)	Nil (Nil)	Nil (Nil)
(iii) The amount of shortfall at the end of year out of the amount required to be spent by the company during the year	Nil (Nil)	Nil (Nil)	Nil (Nil)
(iv) The total of previous year's shortfall amounts	Nil (Nil)	Nil (Nil)	Nil (Nil)

(Figures in brackets pertain to previous year)

**Note 55 :** There have been no delays in transferring amounts required to be transferred to the Investor Education and Protection Fund.

**Note 56 : Other statutory informations:**

- (i) (i) The company does not have any transaction with the companies struck off under SEC 248 of the Companies Act 2013 or section 560 of the Companies Act 1956 during the year ended March 31, 2023 and March 31, 2022.
- (ii) There are no charges or satisfaction which are to be registered with the registrar of companies during the year ended March 31, 2023 and March 31, 2022.
- (iii) The Company complies with the number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction on number of layers) rules 2017 during the year ended March 31, 2023 and March 31, 2022.
- (iv) The Company has not invested or traded in cryptocurrency or virtual currency during the year ended March 31, 2023 and March 31, 2022.
- (v) No proceedings have been initiated on or are pending against the company for holding Benami property under the Prohibition of Benami Property Transaction Act 1988 (as amended in 2016) (formally the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder during the year ended March 31, 2023 and March 31, 2022.
- (vi) The Company has not been declared a wilful defaulter by any bank or financial institution or government or any government authorities during the year ended March 31, 2023 and March 31, 2022.
- (vii) The Company has not entered into any scheme of arrangement approved by the competent authority in terms of sections 232 to 237 of the Companies Act 2013 during the year ended March 31, 2023 and March 31, 2022.
- (viii) During the year ended March 31, 2023 and March 31, 2022, the Company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as search or survey or any other



relevant provisions of the Income Tax Act 1961).

- (ix) During the year ended March 31, 2023 and March 31, 2022, the Company has not advanced or loaned or invested funds (either borrowed funds or the share premium or kind of funds) to any other person or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall:
- directly or indirectly land or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
  - provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (x) During the year ended March 31, 2023 and March 31, 2022, the Company has not received any funds from any persons or entities including foreign entities (Funding party) with the understanding (whether recorded in writing or otherwise) that the company shall :
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
  - provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- (xi) The Company does not have any transaction which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (xii) Quartelry returns or statements of the current assets filed by the Company with banks or financial institutions are in agreement with books of accounts.

**Note 57:** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits has received Presidential assent on 28th September 2020. The Code has been published in the Gazette of India. However, the effective date of the Code is yet to be notified and final rules for quantifying the financial impact are also yet to be issued. In view of this, the Company will assess the impact of the Code when relevant provisions are notified and will record related impact, if any, in the period the Code becomes effective.

**Note 58: Events after the reporting period**

There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.

**Note 59: Previous year comparatives**

Previous year's figures have been regrouped/reclassified, wherever necessary, to conform to current year classification

As per our Report of even date attached

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

**Dheeraj Wadhwa**  
(Partner)  
Membership No. 091143  
UDIN - 23091143BGZBAE3808

Date : 25/05/2023  
Place : Noida

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

**Rajinder Kaul**  
Managing Director  
DIN - 01609805

**Garvita Asati**  
Chief Financial Officer

**Sanjay Verma**  
Executive Director  
DIN-DIN-08139841

**Aditya Sharma**  
Company Secretary



**FORM AOC-1**

[Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014]

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**

**Part "A":  
Subsidiaries**

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

S. No.	Particulars	Details
1.	Name of Subsidiary	Sharika Lightec Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Not Applicable
4.	Share capital	3,00,00,000.00
5.	Reserves & surplus	(3,14,48,642.00)
6.	Total assets	2,46,40,765.00
7.	Total Liabilities	2,60,89,407.00
8.	Investments	0
9.	Turnover	0
10.	Profit before taxation	(26,71,294.00)
11.	Provision for taxation	2,20,050.00
12.	Profit after taxation	(28,91,344.00)
13.	Proposed Dividend	0
14.	Percentage of shareholding	99.99%



**Part-B**  
**Associates & Joint Ventures**

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

Name of Associates or Joint Ventures	Elettromeccanica India Private Limited
Latest audited Balance Sheet Date	31/03/2023
Date on which the Associate or Joint Venture was associated or acquired	27/11/2008
Shares of Associate or Joint Ventures held by the company on the year end	718185 equity Shares of Rs. 10 each
Extent of Holding (in percentage)	49.00%
Description of how there is significant influence	Due to percentage of shareholding (more than 20%)
Reason why the associate/joint venture is not Consolidated	-
Net worth attributable to shareholding as per latest audited Balance Sheet	Rs. (1,16,44,692.00), 49% of Total Network
Profit/ (Loss) for the year	Rs. (8,33,802.00)

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

**Dheeraj Wadhwa**  
(Partner)  
Membership No. 091143  
UDIN - 23091143BGZBAE3808

Date : 25/05/2023  
Place : Noida

**For and on behalf of the Board of Directors of**  
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**Rajinder Kaul**  
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Chief Financial Officer

**Sanjay Verma**  
Executive Director  
DIN-DIN-08139841

**Aditya Sharma**  
Company Secretary



If undelivered Please return to:

**Sharika Enterprises Limited**

C-504, ATS Bouquet, Sector-132,

Noida, UP-201305