



**INDEPENDENT AUDITORS' REPORT**

**To the Members of Sharp Chucks and Machines Limited**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of **Sharp Chucks and Machines Limited** ("the Company") which comprises the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and profit, and its cash flows for the year ended on that date.

**Basis for Opinion**

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

**Information other than the financial statements and auditor's report thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the board's report including annexures there to and management discussion and analysis, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our 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.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

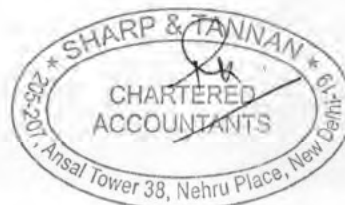
The Board of Directors are also responsible for overseeing the company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the



company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and 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.

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

1. As required by the Companies (Auditor's Report) Order, 2020 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure 'A', a Statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act;
  - (e) on the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 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 'B';
- (g) with respect to the other matters to be included in the Auditor's 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, in our opinion and to the best of our information and according to the explanations given to us:

- 1) the Company does not have any pending litigations which would impact its financial position in its financial statements except as reported under notes to the financial statement.
- 2) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- 3) the Company is not required to transfer any amount to Investor Education and Protection Fund.

- 4) (a) The Management of the Company has represented that, to the best of its knowledge and belief, during the year no funds (which are material either individually or in the aggregate) 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 person or entity, including foreign entity ("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 of the Company has represented, that, to the best of its knowledge and belief, during the year no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (the "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 the audit procedures that have been considered reasonable and appropriate in the circumstances, that nothing has come to the notice that has caused them to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- 5) The Company has not declared or paid dividend during the year.



- 6) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

SHARP & TANNAN  
Chartered Accountants  
Firm's Registration No.000452N  
by the hand of

*Rajkumar*

RAJKUMAR KHULLAR  
Partner  
Membership No. 092507

Place: Jalandhar  
Date : 07.09.2023

UDIN: 23092507BGXAS43469



## ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a program of verification to cover all the items of Property, Plant and Equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were physically verified by the management during the year. According to the information and explanations given to us, some discrepancies were noticed during such verification. Also Refer note no 30 (P) to the financial statements.
- (c) The title deeds of all the immovable properties disclosed in the financial statements are held in the name of the Company.
- (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
- (e) 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 the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventory (excluding stocks with third parties) has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency, coverage and procedure of such verification is reasonable. No material discrepancies were noticed on verification between the physical stocks and the book records. Also Refer note no 30 (N) and (O) to the financial statements.
- (b) The Company has sanctioned working capital limits in excess of Rs. 5 crores in aggregate from Banks/financial institutions on the basis of security of current assets. Quarterly returns / statements filed with such Banks/ financial institutions are in agreement with the books of accounts.
- (iii) According to the information and explanations given to us, during the year, the company has not 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. Hence, reporting under clause 3(iii)(a) to (f) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act and the Company has not made investments through more than two layers of investment companies in



accordance with the provisions of section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.

- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under Section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
- (vii) a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, income-tax, duty of customs, cess have generally been regularly deposited by the company with appropriate authorities although there has been a slight delay in a few cases.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us and examination of records of the Company, the outstanding dues of income-tax, goods and service tax, customs duty, excise duty, sales tax, value added tax, cess and any other statutory dues on account of any dispute, are as follows:

Name of Statute	Nature of disputed dues	Amount (Rs.)*	Period to which the amount relates	Forum where disputes are pending
Income Tax Act, 1961	Dispute regarding tax on Unexplained Investments.	38.25 Lakhs	AY 2017-18	Income Tax Appellate Tribunal, Amritsar

\*Net of pre-deposit

- (viii) According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.
- (ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.



- (c) In our opinion and according to the information and explanation provided to us, money raised by way of term loan during the year have been applied for the purpose for which they were raised.
- (d) According to the information and explanations given to us and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that the company has used funds raised on a short-term basis aggregating to Rs. 608.41 Lakhs for long-term purposes. As explained, this utilization was on account of purchase of Plant & Machineries to enhance the production facility that will help in to increase the revenue.
- (e) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that the Company has no subsidiaries, associates or joint ventures. Accordingly, the reporting under Clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) According to the information and explanations given to us and based on the audit procedures performed by us, we report that the Company has no subsidiaries, associates or joint ventures. Accordingly, the reporting under Clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions stated in paragraph 3 (x)(a) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly or optionally convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (x)(b) of the Order are not applicable to the Company.
- (xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company noticed or reported during the year, nor have we been informed of any such case by the management.
- (b) There has been no report filed by us under sub-section (12) of Section 143 of the Act in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) As represented to us by the management, no whistle blower complaints were received by the Company during the year.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) (a) to (c) of the Order are not applicable to the Company.
- (xiii) According to the information and explanations given to us, all the transactions with the related parties are in compliance with Sections 177 and 188 of the Act and the relevant details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.





- (xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered internal audit reports issued by the internal auditors during our audit.
- (xv) According to the information and explanations given to us, the Company had not entered into any non-cash transactions with directors or persons connected with him during the year. Accordingly, compliance with the provisions of Section 192 of the Act is not applicable to the Company. Accordingly, the provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3 (xvi)(a) of the Order are not applicable to the Company.
- (b) In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities without any valid Certificate of Registration from Reserve Bank of India. Hence, the reporting under paragraph clause 3 (xvi)(b) of the Order are not applicable to the Company.
- (c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clauses 3(xvi)(c) and 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) Based on the overall review of financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Hence, the provisions stated in paragraph clause 3 (xvii) of the Order are not applicable to the Company.
- (xviii) There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph clause 3(xviii) of the Order are not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 that the 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) According to the information and explanations given to us and based on our verification, the provisions of Section 135 of the Act are applicable to the Company. The Company was required to spend an amount of Rs. 10.49 Lakhs on corporate social responsibility activities for the year ended 31st March,2023 but this remains unspent. The Company has booked liability for the equivalent amount in the books of account but till the date of issue of this report, it has not deposited any amount to the Funds as specified in Schedule VIII of the Companies Act,2013.

SHARP & TANNAN  
Chartered Accountants  
Firm's Registration No.000452N  
by the hand of



RAJKUMAR KHULLAR  
Partner  
Membership No. 092507

Place: Jalandhar  
Date : 07.09.2023

UDIN: 23092507BGXASY3469



**ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT**  
(Referred to in paragraph 2(f) of our report of even date)

**Report on the internal financial controls under Section 143(3)(i) of the Companies Act, 2013 (the Act)**

We have audited the internal financial controls over financial reporting of **Sharp Chucks and Machines Limited** (the 'Company') as of 31st March, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') 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 (the 'Act').

**Auditors' Responsibility**

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

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

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



### Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that: (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

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

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2023 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 issued by the ICAI.

Place: Jalandhar

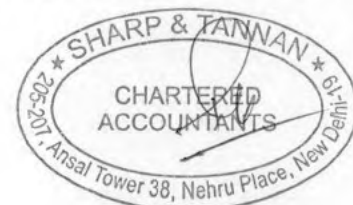
Date : 07.09.2023

SHARP & TANNAN  
Chartered Accountants  
Firm's Registration No.000452N  
by the hand of



RAJKUMAR KHULLAR  
Partner  
Membership No. 092507

UDIN: 23092507B GXAS Y3469



# SHARP CHUCKS AND MACHINES LIMITED

Formerly SHARP CHUCKS AND MACHINES PVT.LTD.

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E-mail : [dispatch@sharpchucks.com](mailto:dispatch@sharpchucks.com) [accounts@sharpchucks.com](mailto:accounts@sharpchucks.com)

GSTIN :03AACCS0690M1ZB  
CIN: U27106PB1994PLC014701

Tel. 0181-2610341 , 2611763  
Telefax : 0181-2610344  
Website : [www.sharpchucks.com](http://www.sharpchucks.com)

Date:-07.09.2023

Dear Members/Directors/Auditors

You are cordially invited to attend the 29<sup>TH</sup> Annual General Meeting (the 'AGM') of the members of Sharp Chucks and Machines Limited (the 'Company') to be held on Saturday the 30<sup>th</sup> day of September, 2023 at 04.00 p.m. at the Registered office of the company at A-12, Industrial Development Colony, Jalandhar.

The Notice of the meeting, containing the business to be transacted in enclosed.

Thanking You  
For and on behalf of  
Sharp Chucks and Machines Limited

  
Ajay Sikka

(Managing Director)

DIN: 00665858

148, Shakti Nagar, Jalandhar

  
Rajat Kathpalia

(Company Secretary)

Ph.No.8054604005

Email:-[cs@sharpchucks.com](mailto:cs@sharpchucks.com)



MANUFACTURERS & EXPORTERS OF  
"SHARP" PRECISION SELF CENTERING LATHE CHUCKS, DRILL CHUCKS,  
INDEPENDENT CHUCKS & CUSTOMISED CASTING

### NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 29<sup>th</sup> Annual General meeting of the members of SHARP CHUCKS AND MACHINES LIMITED, JALANDHAR will be held on Saturday , the 30<sup>th</sup> day of September, 2023 at 04.00 P.M. at the Registered office of the Company i.e. at A-12, Industrial Development Colony, Jalandhar to transact the following business:-

#### ORDINARY BUSINESS:-

1. To consider and adopt the audited Balance Sheet and statement of Profit and Loss Account for the financial year ended March 31, 2023 with Report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Avinash Joshi (DIN: 08801080), who retires by rotation and being eligible, offers himself for re-appointment.

#### SPECIAL BUSINESS:-

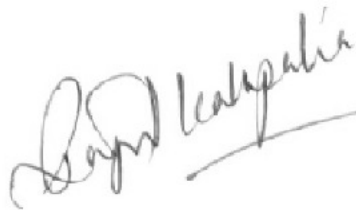
- 3.) To Ratify Remuneration to the Cost Auditor for the F.Y. 2023-2024

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to M/s. S.K. VERMA & ASSOCIATES Cost Accountants appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2023-2024 amounting to Rs.70,000 plus applicable tax, travelling and other out-of-pocket expenses incurred by them in connection with the aforesaid audit, be and is hereby ratified and confirmed.”

For and on behalf of Board of Directors of  
Sharp Chucks & Machines Limited



Mr. Ajay Sikka  
Managing Director  
DIN: 00665858  
148, Shakti Nagar, Jalandhar



Mr. Rajat Kathpalia  
Company Secretary

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

### Item No.3 – Ratification of Remuneration to Cost Auditors for FY 2023-2024

The Board has approved the appointment of M/s. S.K. VERMA & ASSOCIATES, Cost Accountants, at a remuneration of Rs.70,000.00/- (Rupees Seventy Thousand only) to conduct the Cost Audit of the Company for the financial year 2023-2024. In accordance with the provisions of Section 148 (3) of the Companies Act, 2013 read with Rule 14 of Companies (Audit & Auditor Rules), 2014, the remuneration payable to the Cost Auditor is required to be ratified by the members of the Company.

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

The Board of Directors recommends the Ordinary Resolution for your approval.

#### Notes:

1) **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER. THE PROXY FORM DULY COMPLETED MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF HOLDING THE MEETING.**

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

3) Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their Folio No.

4) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.

5) Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting

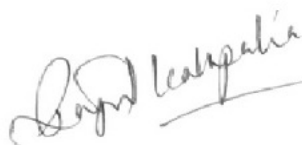
6) Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents Skyline Financial Services (P) Ltd to provide efficient and better services.

7) Corporate members intending to send their authorized representative(s) to attend the meeting are requested to send to the company a duly certified board resolution authorizing their said representative(s) to attend and vote on their behalf at the meeting.

For and on behalf of Board of Directors of  
Sharp Chucks & Machines Limited



Mr. Ajay Sikka  
Managing Director  
DIN: 00665858  
148, Shakti Nagar, Jalandhar



Mr. Rajat Kathpalia  
Company Secretary

## **IMPORTANT**

1. Audited Financials Accounts & other incidental documents shall be placed before the members at the 29<sup>th</sup> AGM .
- 2 Please bring duly completed attendance slip at the Annual General Meeting.
- 3 Please note that only shareholders or the approved Proxies would be allowed to attend the Annual General Meeting. (Children/Family/Members/Guests etc. Other than shareholders/approved proxies would not be allowed.)
- 4 No gifts shall be distributed.



# SHARP CHUCKS AND MACHINES LIMITED

Formerly Sharp Chucks And Machines Private Limited

CIN: U27106PB1994PLC014701

Regd. Office: A-12, INDUSTRIAL DEVELOPMENT COLONY, JALANDHAR-144012, PUNJAB, INDIA.

Tel No: Ph.: - 0181-2611763, 2610341 Fax No: 0181-2610344

Website: sharpchucks.com, E.mail: [cs@sharpchucks.com](mailto:cs@sharpchucks.com)

RTA: Skyline Financial Services (P) Ltd., D-153 A, 1st Floor, Okhla Industrial Area, Phase- I, New Delhi- 110020

## ATTENDANCE SLIP

I/We hereby record my/our presence at the 29<sup>th</sup> Annual General Meeting of the Company held at registered office of the Company at Sharp chucks and Machines Limited, A-12, Industrial Development Colony, Jalandhar- 144012, Punjab (INDIA) at 04.00 p.m. on Saturday the 30<sup>th</sup> day of Septemeber,2023.

<b>Name &amp; Address of the Shareholder(s)</b>	<b>DP Id</b>	
	<b>Client Id/Regd. Folio.</b>	
	<b>No. of Shares Held</b>	
<b>If Shareholder(s) please sign here</b>	<b>If Proxy, please mention name and sign here</b>	
	<b>Name of Proxy</b>	<b>Signature</b>

### Notes:

- (1) Shareholder / Proxy holder, as the case may be, is requested to produce the attendance slip duly signed at the entrance of the Meeting venue.
- (2) Members are requested to advise the change of their address, if any, to Skyline Financial Services Pvt. Ltd., at the above address.

# SHARP CHUCKS AND MACHINES LIMITED

Formerly Sharp Chucks And Machines Private Limited

CIN: U27106PB1994PLC014701

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RTA: Skyline Financial Services (P) Ltd., D-153 A, 1st Floor, Okhla Industrial Area, Phase- I, New Delhi- 110020

## PROXY FORM

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

Name of the Member(s): .....

Registered address: .....

E-Mail Id: .....

Folio No. / Client Id: .....

DP Id: .....

I/We, being the member(s) of..... shares of the above named Company, hereby appoint

1. Name: ..... Address.....

E-Mail Id: .....Signature: .....

2. Name: ..... Address.....

E-Mail Id: .....Signature: .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29<sup>th</sup> Annual General Meeting of the Company to be held at Sharp chucks and Machines Limited, A-12, Industrial Development Colony, Jalandhar-144012, Punjab (INDIA) at 04.00 p.m. on Saturday the 30<sup>th</sup> day of September,2023.and at any adjournment thereof in respect of such resolutions as are indicated below:

\*\* I/We wish my above proxy(ies) to vote in the manner as indicated in the box below:

Ordinary Resolution(s)	For	Against	Abstain
1. Adoption of the audited Balance Sheet as at and the Financial Statements for the financial year ended on March 31, 2023 and Reports of the Directors and Auditors thereon.			
2. To appoint a Director in place of Mr. Avinash Joshi (DIN: 08801080), who retires by rotation and being eligible, offers himself for re-appointment.			
2. To Ratify Remuneration to the Cost Auditor for the F.Y. 2023-2024			

Signed this .....day of ..... 2023

\_\_\_\_\_  
Signature of Shareholder

\_\_\_\_\_  
Signature of first proxy holder

\_\_\_\_\_  
Signature of second proxy holder

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

\*\* This is only optional. Please put a 'V' in the appropriate column against the resolutions indicated in the Box. Alternatively, you may mention the number of shares in the appropriate column in respect of which you would like your proxy to vote. If you leave all the columns blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

**Note:**

1. **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**
2. A proxy need not be a member of the Company.
3. In case the appointer is a body corporate, the proxy form should be signed under its seal or be signed by an officer or an attorney duly authorized by it and an authenticated copy of such authorisation should be attached to the proxy form. .
4. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
5. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

---

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# SHARP CHUCKS AND MACHINES LIMITED

Formerly Sharp Chucks And Machines Private Limited

CIN: U27106PB1994PLC014701

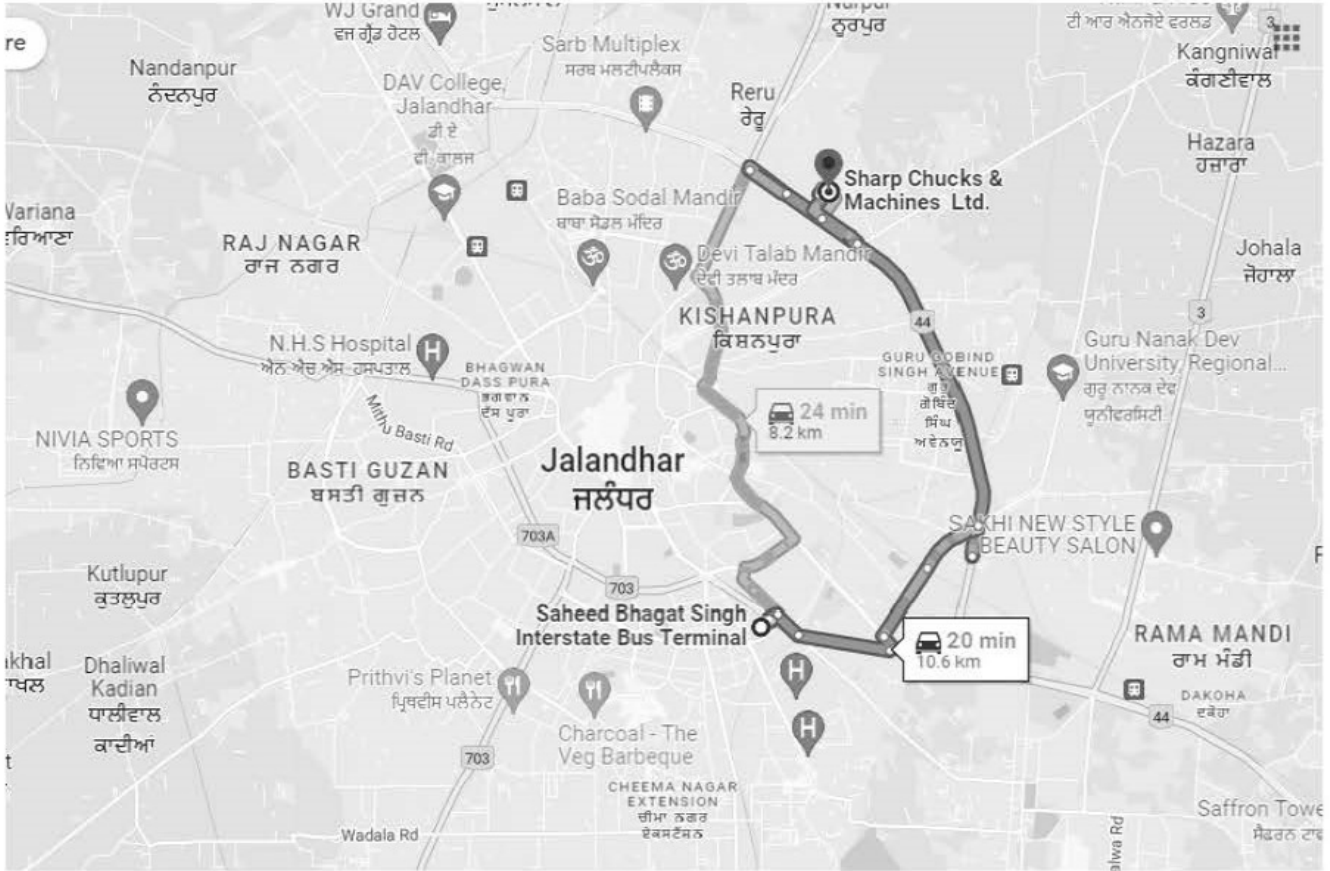
Regd. Office: A-12, INDUSTRIAL DEVELOPMENT COLONY, JALANDHAR-144012, PUNJAB, INDIA.

Tel No: Ph.: - 0181-2611763, 2610341 Fax No: 0181-2610344

Website: sharpchucks.com, E.mail: [cs@sharpchucks.com](mailto:cs@sharpchucks.com)

RTA: Skyline Financial Services (P) Ltd., D-153 A, 1st Floor, Okhla Industrial Area, Phase- I, New Delhi- 110020

## ROUTE MAP TO THE COMPANY



**SHARP CHUCKS & MACHINES LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2023**

(Amount in INR Lakhs)

Particulars	Note	As at 31-03-2023	As at 31-03-2022
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share capital	1	976.43	678.43
Reserve & surplus	2	4,233.13	3,759.74
		<u>6,211.56</u>	<u>4,738.17</u>
<b>NON CURRENT LIABILITIES</b>			
Long terms borrowings	3	2,763.72	2,411.37
Deferred tax liabilities (net)	4	609.80	488.04
Other long term liabilities	5	316.32	328.22
Long term provisions	6	87.84	73.81
		<u>3,777.68</u>	<u>3,299.44</u>
<b>CURRENT LIABILITIES</b>			
Short term borrowings	7	5,042.76	5,313.24
Current maturity of long term borrowings	8	911.40	2,216.52
Trade payables -			
-Total outstanding dues of micro enterprises and small enterprises		162.23	259.09
-Total outstanding dues of creditors other than micro enterprises and small enterprises	9	2,138.74	2,029.62
Other current liabilities	10	541.19	379.21
Short term provisions	11	143.72	118.36
		<u>8,940.04</u>	<u>10,316.05</u>
<b>Total</b>		<u><u>17,929.28</u></u>	<u><u>16,553.66</u></u>
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
<b>PROPERTY, PLANT AND EQUIPMENT &amp; INTANGIBLE ASSETS</b>			
Property, Plant and Equipment	12	7,294.70	6,295.60
Intangible assets	12	0.80	4.59
Capital work in progress	12	390.04	44.75
Intangible assets under development	12	-	7.69
Non-current investment		-	-
Long term loans & advances	13	40.85	166.76
Other non-current assets	14	327.95	266.51
<b>CURRENT ASSETS</b>			
Current investments		-	-
Inventories	15	6,464.69	5,091.49
Trade receivables	16	2,910.06	3,359.20
Cash and cash equivalents	17	135.90	2,405.69
Short term loans & advances	18	364.29	458.83
Other current assets	19	-	52.55
<b>Total</b>		<u><u>17,929.28</u></u>	<u><u>18,353.68</u></u>
<b>CONTINGENT LIABILITIES</b>	20		
<b>CAPITAL COMMITMENTS</b>	21		
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	29		
<b>OTHER NOTES FORMING PART OF THE ACCOUNTS</b>	30		

The accompanying notes form an integral part of the financial statements

As per our report attached

Sharp & Tannan

Chartered Accountants

Firm registration no: 000452N

By the hand of

Rajkumar Khullar

Partner

Membership no:- 092507

Place Jalandhar

Date 07.09.23



For and on behalf of the Board

Ajay Sikka

Digitally signed  
by Ajay Sikka  
Date: 2023.09.07  
14:42:46 +05'30'

Ajay Sikka

Managing Director  
DIN: 00665858

Rajat Kathpalia

Digitally signed by Rajat Kathpalia  
Date: 2022.09.07 14:46:26 +05'30'

Rajat Kathpalia  
Company Secretary  
Redg No :38236

GOPIKA SIKKA  
Digitally signed by GOPIKA SIKKA  
Date: 2023.09.07  
14:44:01 +05'30'

Gopika Sikka  
Director & CFO  
DIN: 00665904

SHARP CHUCKS & MACHINES LIMITED  
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

(Amount in INR Lakhs)

Particulars	Note	2022-23	2021-22
<b>INCOME</b>			
Revenue from operations (gross)	22	20,903.98	17,854.77
Less - GST		3,259.01	2,663.99
Revenue from operations (net)		17,644.97	15,190.78
Other income	23	61.89	61.46
<b>Total Income</b>		<b>17,706.86</b>	<b>15,252.24</b>
<b>EXPENSES</b>			
Manufacturing and operating expenses:	24		
Cost of material consumed		10,983.75	8,820.27
Purchases of stock in trade		-	-
Stores, spares and tools consumed		2,004.74	1,583.78
Changes in inventories of finished goods, work-in-progress and stock-in-trade		(1,197.58)	(200.85)
Other manufacturing and operating expenses		1,657.47	1,749.09
Employee benefits expenses	25	1,306.17	932.89
Finance costs	26	853.46	659.49
Depreciation and amortization	27	568.64	471.69
Other expenses	28	807.04	607.83
<b>Total Expenses</b>		<b>16,983.67</b>	<b>14,604.17</b>
<b>Profit/ (loss) before taxes</b>		<b>723.19</b>	<b>648.07</b>
Tax Expenses			
Provision for current tax		126.00	113.00
Provision for deferred tax		123.76	80.38
Income Tax for earlier years		0.03	0.73
<b>Profit/ (loss) after taxes</b>		<b>473.39</b>	<b>453.97</b>
Earning per Equity Shares			
Basic (in Rs)		4.84	4.64
Diluted (in Rs)		4.84	4.64

SIGNIFICANT ACCOUNTING POLICIES 29  
OTHER NOTES FORMING PART OF THE ACCOUNTS 30

For and on behalf of the Board

The accompanying notes form an integral part of the financial statements

As per our report attached

Sharp & Tannan

Chartered Accountants

Firm registration no: 000452N

By the hand of

Rajkumar Khuller

Partner

Membership no.- 092507

Place Jalandhar

Date 07.09.23



Ajay Sikka  
Digitally signed by Ajay Sikka  
Date: 2023.09.07 14:43:04 +05'30'

Ajay Sikka  
Managing Director  
DIN: 00665858

Rajat Kathpalia  
Digitally signed by Rajat Kathpalia  
Date: 2023.09.07 14:47:12 +05'30'

Rajat Kathpalia  
Company Secretary  
Regd No :36236

GOPIKA SIKKA  
Digitally signed by GOPIKA SIKKA  
Date: 2023.09.07 14:44:27 +05'30'

Gopika Sikka  
Director & CFO  
DIN: 00665904

**SHARP CHUCKS & MACHINES LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31,2023**

(Amount in INR Lakhs)

Particulars	2022-23	2021-22
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net Profit/(Loss) before tax	723.19	648.07
Adjustments for:	-	-
Depreciation and amortization	568.64	471.69
Asset W/Off (ERP Software)	7.69	-
Exchange loss (gain)	(19.89)	(2.95)
Interest on fixed deposit with bank and security deposit	(10.30)	(9.60)
Interest paid	853.46	659.49
Loss/(Profit) on sale of Property, plant and equipment	(1.11)	0.40
	-	-
<b>Operating profit / (Loss) before working capital changes</b>	<b>2,121.67</b>	<b>1,767.09</b>
Adjustment for	-	-
(Increase) / decrease in short term loans and advances	94.54	(204.51)
(Increase) / decrease in long term loans and advances	125.91	(138.39)
(Increase) / decrease in other non-current assets	(81.45)	(58.21)
(Increase) / decrease in trade receivables	469.03	(1,222.34)
(Increase) / decrease in inventories	(1,373.21)	102.34
(Increase) / decrease in other current assets	52.55	(48.93)
Increase / (decrease) in trade payables	12.26	520.37
Increase / (decrease) in other current liabilities	161.98	(65.91)
Increase / (decrease) in short term provisions	(40.67)	(21.65)
Increase / (decrease) in long term provisions	14.03	8.23
<b>Cash generated from/ (used) in operating activities</b>	<b>1,576.65</b>	<b>640.08</b>
Direct tax paid	(60.00)	(65.00)
Income tax refund received	-	-
<b>Net Cash generated from/ (used) in operating activities (A)</b>	<b>1,516.65</b>	<b>575.08</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment	(1,915.73)	(1,377.98)
Sale of property, plant and equipment	7.60	5.90
Bank balances not considered as cash and cash equivalents - (placed)/matured	20.79	(25.84)
Interest received	10.30	9.60
<b>Net cash flow from (used in) /from investing activities (B)</b>	<b>(1,877.04)</b>	<b>(1,388.32)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds (Repayment) from long term borrowings	(952.77)	2,175.79
Proceeds (Repayment) from short term borrowings	(270.48)	1,682.20
Proceeds (Repayment) of other long term liability	(11.90)	106.00
Interest paid	(853.46)	(659.49)
<b>Net cash flow from / (used in) from financing activities ( C )</b>	<b>(2,088.61)</b>	<b>3,304.51</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(2,449.00)</b>	<b>2,491.27</b>
Cash and cash equivalents at beginning of the year	2,556.72	65.46
Cash and cash equivalents at end of the year	107.72	2,556.72
<b>Net increase in cash and cash equivalents</b>	<b>(2,449.00)</b>	<b>2,491.27</b>

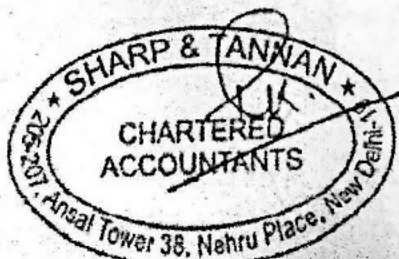
**Notes:**

- Cash Flow Statement has been prepared under the Indirect Method as set out in the Accounting Standard 3; "Cash Flow Statement" as specified under Section 133 of the Act.
- Purchase of Property, Plant and Equipment includes movement of capital work-in-progress and Intangible Assets under development during the year.
- Cash and cash equivalents at end of the period does not includes other bank balances.

As per our report attached  
 Sharp & Tannan  
 Chartered Accountants  
 Firm registration no: 000452N  
 By the hand of

Rajkumar Khullar  
 Partner  
 Membership no. - 092507

Place Jalandhar  
 Date: 07/09/23



For and on behalf of the Board

Ajay Sikka  
 Digitally signed by Ajay Sikka  
 Date: 2023.09.07  
 14:43:16 +05'30'

Ajay Sikka  
 Managing Director  
 DIN: 00665858

Rajat Kathpalia  
 Digitally signed by Rajat Kathpalia  
 Date: 2023.09.07  
 14:47:33 +05'30'

Rajat Kathpalia  
 Company Secretary  
 Regd No :36236

GOPIKA SIKKA  
 Digitally signed by GOPIKA SIKKA  
 Date: 2023.09.07  
 14:44:47 +05'30'

Gopika Sikka  
 Director & CFO  
 DIN: 00665904

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

**1. SHARE CAPITAL**

**(a) Share capital authorised, issued, subscribed and paid up:**

Particulars	As at 31/03/2023		As at 31/03/2022	
	Number of shares	Amount in INR Lakhs	Number of shares	Amount in INR Lakhs
<b>Authorised</b>				
Equity shares of Rs. 10/- each	120	1,200.00	110	1,100.00
	<u>120</u>	<u>1,200.00</u>	<u>110</u>	<u>1,100.00</u>
<b>Issued, Subscribed and Paid Up:</b>				
Equity shares of Rs. 10/- each fully paid up	97,84,308	978.43	97,84,308	978.43
	<u>97,84,308</u>	<u>978.43</u>	<u>97,84,308</u>	<u>978.43</u>

**(b) Reconciliation of the number of equity shares and share capital:**

Particulars	As at 31/03/2023		As at 31/03/2022	
	Number of shares	Amount in INR Lakhs	Number of shares	Amount in INR Lakhs
Issued, subscribed and fully paid up equity shares outstanding at beginning of the year	97,84,308	978.43	97,84,308	978.43
Add: Shares issued during the year	-	-	-	-
Issued, subscribed and fully paid up equity shares outstanding at end of the year	<u>97,84,308</u>	<u>978.43</u>	<u>97,84,308</u>	<u>978.43</u>

**(c) Terms/rights attached to equity shares:**

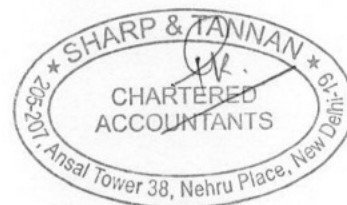
The Company has only one class of share capital, i.e. equity shares having face value of 10 per share. Each holder of equity share is entitled to one vote per share. In addition, a Subscription-cum-Shareholders Agreement was executed on April 22, 2014 between Company, Promoters, Other Shareholders and SIDBI Venture Capital Limited with terms and conditions of the investment.

**(d) The details of Shareholders holding more than 5% shares :**

Name of the shareholder	As at 31/03/2023		As at 31/03/2022	
	Number of shares	Shareholding %	Number of shares	Shareholding %
<b>EQUITY SHAREHOLDERS</b>				
Sh. Ajay Sikka	49,33,740	50.43	40,50,920	41.40
Smt. Suman Bala	5,68,685	5.81	5,68,685	5.81
Sh Ashok Sikka	-	-	6,42,892	6.57
Smt. Gopika Sikka	17,84,620	18.24	17,67,170	18.06
SIDBI Trustee Company Limited A/c India Opportunities Fund	19,28,516	19.71	19,28,516	19.71

**(e) Shareholding of Promoters**

Name of the promoters	As at 31/03/2023		As at 31/03/2022	
	Number of shares	Shareholding %	Number of shares	Shareholding %
Sh. Ajay Sikka	49,33,740	50.43	40,50,920	41.40
Smt. Gopika Sikka	17,84,620	18.24	17,67,170	18.06





(2) RESERVE AND SURPLUS		(Amount in INR Lakhs)	
Particulars	As at 31/03/2023	As at 31/03/2022	
(a) SECURITY PREMIUM			
As per last Balance Sheet	742.86	742.86	
Add: Amount received during the year	-	-	
<b>Total</b>	<b>742.86</b>	<b>742.86</b>	
(b) GENERAL RESERVE			
As per last Balance Sheet	203.00	183.00	
Add: Additions during the year	20.00	20.00	
<b>Total</b>	<b>223.00</b>	<b>203.00</b>	
(c) CAPITAL SUBSIDY			
As per last Balance Sheet	19.42	19.42	
Add: Additions during the year	-	-	
<b>Total</b>	<b>19.42</b>	<b>19.42</b>	
(d) PROFIT & LOSS ACCOUNT			
As per last Balance Sheet	2,794.45	2,360.48	
Add: Profit for the year	473.39	453.97	
Less: Transfer to General Reserve	(20.00)	(20.00)	
<b>Total</b>	<b>3,247.84</b>	<b>2,794.45</b>	
	<b>4,233.13</b>	<b>3,759.74</b>	

(3) LONG TERM BORROWINGS		(Amount in INR Lakhs)	
Particulars	As at 31/03/2023	As at 31/03/2022	
<b>Secured</b>			
-Term Loans from Banks	2,629.26	4,484.92	
-Term Loan from Financial Institutions	545.86	142.98	
<b>Unsecured</b>			
-Term Loan from Financial Institutions	500.00	-	
	<b>3,675.12</b>	<b>4,627.89</b>	
Less :- Current Maturities of long term borrowing			
-Term Loans from Banks	654.24	2,189.71	
-Term Loan from Financial Institutions	257.16	26.81	
<b>Total</b>	<b>2,763.72</b>	<b>2,411.37</b>	

Current Maturities of long term borrowing as at 31-03-2023 represents amount payable within 12 months only.

**Term Loans from Canara Bank :-**

- Properties at A-12, Industrial Development Colony, Jalandhar and House no-148 Shakti Nagar Jalandhar owned by Mr. Ajay Sikka; and Mrs Gopika Sikka
- Properties at A-10, A-11, A-13, A-17, A-18 A-20 A-21, A-22, A-23 and A-26, Industrial Development Colony, Jalandhar owned by the Company; and Property at Hanbast no 325 Khawat Khatoni Village Sura, Jalandhar owned by the Company.

**Term Loans from Axis Bank :-**

Collateral Security : Land & Building situated at Kh No. 39//6,7,14,15,17,24 Village Dhogri, Tehsil & Distt. Jalandhar.

**Term Loans from Financial Institutions :-**

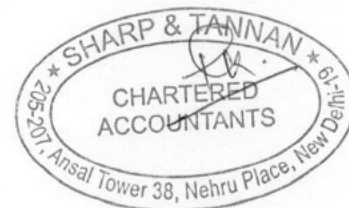
Term Loans from Mahindra & Mahindra Financial Services Ltd is secured against respective machines.

Maturity profile of Secured Long Term Borrowings are as set out below :

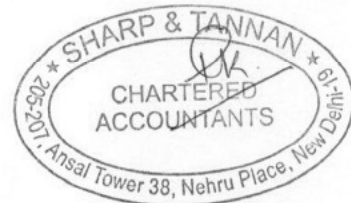
Particulars	(Amount in INR Lakhs)			
	O/S 31.03.2023	F.Y. 2023-24	F.Y. 2024-25	F.Y. 2025-26 onwards
-Term Loans from Banks	2,629.26	654.24	534.84	1,440.18
-Term Loan from Financial Institutions	1,045.86	257.16	363.55	425.16
<b>Total</b>	<b>3,675.12</b>	<b>911.40</b>	<b>898.39</b>	<b>1,865.33</b>



<b>(4) DEFERRED TAX LIABILITY (NET)</b>			(Amount in INR Lakhs)
Particulars	As at 31/03/2023	As at 31/03/2022	
Deferred tax liability	609.80	486.04	
<b>Total</b>	<b><u>609.80</u></b>	<b><u>486.04</u></b>	
<b>(5) OTHER LONG TERM LIABILITIES</b>			(Amount in INR Lakhs)
Particulars	As at 31/03/2023	As at 31/03/2022	
From Directors	216.32	228.22	
From Promoters under stipulation of financial institutions	100.00	100.00	
<b>Total</b>	<b><u>316.32</u></b>	<b><u>328.22</u></b>	
The above loans loan from directors/ Promoters are interest free.			
<b>(6) LONG TERM PROVISIONS</b>			(Amount in INR Lakhs)
Particulars	As at 31/03/2023	As at 31/03/2022	
Provisions for employee benefits	87.84	73.81	
<b>Total</b>	<b><u>87.84</u></b>	<b><u>73.81</u></b>	
<b>(7) SHORT TERM BORROWINGS</b>			(Amount in INR Lakhs)
Particulars	As at 31/03/2023	As at 31/03/2022	
<b>Secured</b>			
<b>Loans Repayable on Demand – working capital facilities</b>			
<b>From Banks:</b>			
Cash Credit facility from Canara bank	3,319.30	3,314.89	
Packing Credit facility from Canara bank	299.91	300.00	
Cash Credit facility from AXIS bank	-	977.65	
Kotak Mahindra Bank Limited (Bill Discount)	1,119.96	430.61	
Kotak Mahindra Bank (PO Discounting and Bill Discounting )	300.00	250.00	
<b>From Financial Institutions:</b>	-	-	
<b>Unsecured</b>			
From Banks	3.59	40.09	
From Others	-	-	
<b>Total</b>	<b><u>5,042.76</u></b>	<b><u>5,313.24</u></b>	
<b>NOTE:</b>			
Working capital facility from Canara Bank is secured against:-			
<b>Primary security:</b>			
Secured against hypothecation of stock, book debts and plant and machinery			
<b>Collateral Security :</b>			
i. Properties at A-12, Industrial Development Colony, Jalandhar and House no-148 Shakti Nagar Jalandhar owned by Mr. Ajay Sikka; and Mrs Gopika Sikka			
ii. Properties at A-10, A-11, A-13, A-17, A-18 A-20 A-21, A-22. A-23 and A-26, Industrial Development Colony, Jalandhar owned by the Company;			
iii. Property at Hanbast no 325 Khewat Khatoni Village Sura, Jalandhar owned by the Company.			



(8) CURRENT MATURITY OF LONG TERM BORROWINGS		
	(Amount in INR Lakhs)	
Particulars	As at 31/03/2023	As at 31/03/2022
Current Maturities of long term borrowing:		
-Term Loans from Banks	654.24	2,189.71
-Term Loan from Financial Institutions	151.37	26.81
Total	<u>805.61</u>	<u>2,216.52</u>
(9) TRADE PAYABLES		
	(Amount in INR Lakhs)	
Particulars	As at 31/03/2023	As at 31/03/2022
Total outstanding dues of micro enterprises and small enterprises	162.23	259.09
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,138.74	2,029.62
Total	<u>2,300.98</u>	<u>2,288.7</u>
[Ref Note 30(B) for age wise details]		
(10) OTHER CURRENT LIABILITIES		
	(Amount in INR Lakhs)	
Particulars	As at 31/03/2023	As at 31/03/2022
Duties & taxes	235.45	93.72
Advance from parties	30.02	19.74
Expense payable	275.72	265.75
Total	<u>541.19</u>	<u>379.21</u>
(11) SHORT TERM PROVISIONS		
	(Amount in INR Lakhs)	
Particulars	As at 31/03/2023	As at 31/03/2022
Provision for income tax	126.00	113.00
Provision for CSR	10.49	-
Provisions for employee benefits ( Current)	7.23	5.36
Total	<u>143.72</u>	<u>118.36</u>



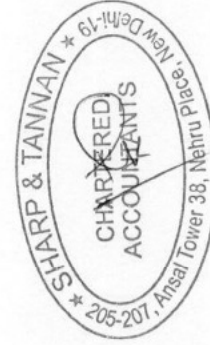
Note no.12

Property, plant and equipment

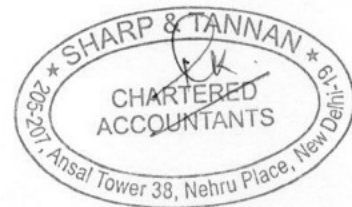
(Amount in INR Lakhs)

Particulars	Gross Block				Depreciation			Net Block	
	As at 01.04.2022	Additions	Deduction	As at 31.03.2023	As at 01.04.2022	For the year	Deduction	As at 31.03.2023	As at 31.03.2022
<b>Property, plant and equipment</b>									
Land	377.12	-	-	377.12	-	-	-	377.12	377.12
Building	661.56	53.51	-	715.07	157.40	21.17	-	536.51	504.16
Computer	41.57	1.86	-	43.43	36.33	1.81	-	5.29	5.24
Plant & Machinery	7,710.18	1,494.72	1.90	9,202.99	2,456.77	516.35	0.51	6,230.38	5,253.41
Furniture & office equipments	124.33	7.68	-	132.00	70.72	9.13	-	52.15	53.61
Vehicles	163.66	12.67	15.44	160.89	78.74	14.36	10.34	78.13	84.92
Air pollution control	31.05	-	-	31.05	13.91	2.02	-	15.11	17.14
<b>Total-(i)</b>	<b>9,109.46</b>	<b>1,570.44</b>	<b>17.34</b>	<b>10,662.56</b>	<b>2,813.86</b>	<b>564.85</b>	<b>10.85</b>	<b>7,294.70</b>	<b>6,295.60</b>
<b>Intangible Assets</b>									
Software	26.04	-	-	26.04	21.45	3.79	-	0.80	4.59
<b>Total-(ii)</b>	<b>26.04</b>	<b>-</b>	<b>-</b>	<b>26.04</b>	<b>21.45</b>	<b>3.79</b>	<b>-</b>	<b>0.80</b>	<b>4.59</b>
<b>Capital work in progress</b>									
Building under construction	44.75	9.80	-	1.03	-	-	-	1.03	44.75
Plant & Machinery under Installation	-	389.00	-	389.00	-	-	-	389.00	-
<b>Total-(iii)</b>	<b>44.75</b>	<b>398.81</b>	<b>53.51</b>	<b>390.04</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>390.04</b>	<b>44.75</b>
<b>Intangible Assets under development</b>									
Software under development	7.69	-	7.69	-	-	-	-	-	7.69
<b>Total-(iv)</b>	<b>7.69</b>	<b>-</b>	<b>7.69</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7.69</b>
<b>Total-(i) to (iv)</b>	<b>9,187.45</b>	<b>1,969.25</b>	<b>78.54</b>	<b>11,078.64</b>	<b>2,835.31</b>	<b>568.64</b>	<b>10.85</b>	<b>7,685.54</b>	<b>6,352.62</b>
<b>Previous Year</b>	<b>7,816.53</b>	<b>1,377.98</b>	<b>6.58</b>	<b>9,187.94</b>	<b>2,363.91</b>	<b>471.69</b>	<b>0.28</b>	<b>6,352.62</b>	<b>5,452.63</b>

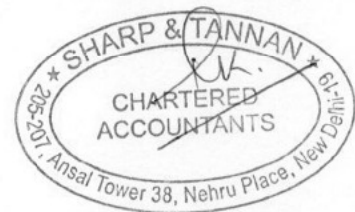
Refer note no 30 (P)



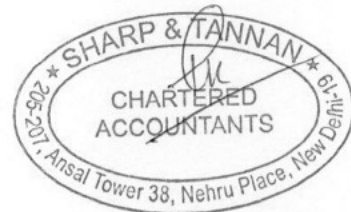
(13) LONG TERM LOANS & ADVANCES		
(Amount in INR Lakhs)		
Particulars	As at 31/03/2023	As at 31/03/2022
Capital advances	40.85	166.76
<b>Total</b>	<u><u>40.85</u></u>	<u><u>166.76</u></u>
(14) OTHER NON-CURRENT ASSETS		
(Amount in INR Lakhs)		
Particulars	As at 31/03/2023	As at 31/03/2022
Security deposits	327.95	266.51
<b>Total</b>	<u><u>327.95</u></u>	<u><u>266.51</u></u>
(15) INVENTORIES		
(Amount in INR Lakhs)		
Particulars	As at 31/03/2023	As at 31/03/2022
(Valued at cost or market value whichever is lower)		
Raw material	1,666.06	1,498.94
Finished goods	1,627.50	1,568.02
Semi finished goods	3,092.86	1,954.76
Consumable stores & packing stock	78.27	69.77
(Valued and certified by the management)		
<b>Total</b>	<u><u>6,464.69</u></u>	<u><u>5,091.49</u></u>
Refer note no 30 (N) and (O)		
(16) TRADE RECEIVABLE		
(Amount in INR Lakhs)		
Particulars	As at 31/03/2023	As at 31/03/2022
Unsecured, considered good	2,910.06	3,359.20
<b>Total</b>	<u><u>2,910.06</u></u>	<u><u>3,359.20</u></u>
[Ref Note 30(B) for age wise details]		
Note: The Company has disclosed the above information based on the invoice date and not from the date the trade receivables are due for payment.		
(17) CASH AND CASH EQUIVALENTS		
(Amount in INR Lakhs)		
Particulars	As at 31/03/2023	As at 31/03/2022
Cash & Cash Equivalents		
Balance with banks	18.03	28.21
Cheques and drafts on hand	75.00	2,523.00
Cash on hand	14.69	5.52
		-
<b>Other bank balances</b>		48.97
Bank balances not available for immediate use	28.18	
[Fixed deposits in the nature of security offered]		
<b>Total</b>	<u><u>135.90</u></u>	<u><u>2,605.69</u></u>



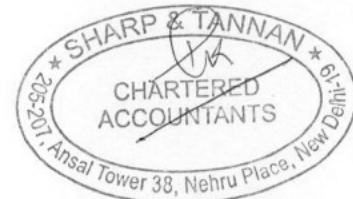
(18) SHORT TERM LOANS & ADVANCES			(Amount in INR Lakhs)
Particulars	As at 31/03/2023	As at 31/03/2022	
(Unsecured and Considered Good)			
Other loans & advances recoverable in cash or kind	-	-	
Balance with revenue authorities	-	260.63	
Advances to parties	126.25	80.28	
Advance tax	76.58	9.57	
Income tax paid under protest	9.57	108.35	
Others	151.89	-	
<b>Total</b>	<b><u>364.29</u></b>	<b><u>458.83</u></b>	
(19) OTHER CURRENT ASSETS			(Amount in INR Lakhs)
Particulars	As at 31/03/2023	As at 31/03/2022	
Deferred revenue expenditure ( to the extent not written off)	-	-	
Accrued Income	-	52.55	
<b>Total</b>	<b><u>-</u></b>	<b><u>52.55</u></b>	
(20) CONTINGENT LIABILITIES			(Amount in INR Lakhs)
Particulars	As at 31/03/2023	As at 31/03/2022	
Income tax liability that may arise in respect of which the Company is under appeal	47.82	47.82	
Bank Guarantees	9.33	9.33	
Letter of Credit	90.00	90.00	
<b>Total</b>	<b><u>147.15</u></b>	<b><u>147.15</u></b>	
(21) CAPITAL COMMITMENTS			(Amount in INR Lakhs)
Particulars	As at 31/03/2023	As at 31/03/2022	
Estimated amount of contracts remaining to be executed on capital account (net of advances )	-	675.88	
<b>Total</b>	<b><u>-</u></b>	<b><u>675.88</u></b>	



(22) REVENUE FROM OPERATIONS		
(Amount in INR Lakhs)		
Particulars	2022-23	2021-22
Sale of Products	20,903.98	17,854.77
Sale of Services	-	-
<b>Total</b>	<b>20,903.98</b>	<b>17,854.77</b>
 (23) OTHER INCOME		
(Amount in INR Lakhs)		
Particulars	2022-23	2021-22
Exports incentives	17.55	34.63
Interest on fixed deposit with bank and security deposit	10.30	9.60
Exchange gain	19.89	2.95
ABRY EPF subsidy received	12.34	13.79
Profit /Loss on sale of fixed assets	1.11	-
Miscellaneous income	0.70	0.48
<b>Total</b>	<b>61.89</b>	<b>61.46</b>
 (24) MANUFACTURING AND OPERATING EXPENSES		
(Amount in INR Lakhs)		
Particulars	2022-23	2021-22
Material Consumed		
Opening Stock	1,498.94	1,796.16
Add: Purchases	11,150.88	8,523.04
Less: Closing Stock	(1,666.06)	(1,498.94)
<b>Total</b>	<b>10,983.75</b>	<b>8,820.27</b>
Purchases of stock in trade	-	-
Stores, spares and tools consumed	2,004.74	1,563.78
Changes in inventories of finished goods, work in progress and stock in trade		
Opening stock		
Finished goods	1,568.02	1,485.16
Work in progress	1,954.76	1,836.77
Closing stock		
Finished goods	(1,627.50)	(1,568.02)
Work in progress	(3,092.86)	(1,954.76)
<b>Total</b>	<b>(1,197.58)</b>	<b>(200.85)</b>
Other manufacturing and operating expenses		
-Power & fuel	1,247.45	1,423.63
-Oil & lubricants	95.85	88.28
-Machinery repair & maintenance	61.11	75.57
-Freight, octroi and cartage	63.31	62.31
-Job work charges	189.75	99.29
<b>Total</b>	<b>1,657.47</b>	<b>1,749.09</b>



<b>(25) EMPLOYEE BENEFITS EXPENSES</b>		
(Amount in INR Lakhs)		
Particulars	2022-23	2021-22
Salaries, wages, bonus etc.	1,184.60	837.33
Contributions to provident, ESI & gratuity	90.42	75.78
Staff welfare expense	31.15	19.78
<b>Total</b>	<b><u>1,306.17</u></b>	<b><u>932.89</u></b>
<b>(26) FINANCE COSTS</b>		
(Amount in INR Lakhs)		
Particulars	2022-23	2021-22
Interest expenses	739.27	528.19
Bank charges & finance charges	114.18	131.29
<b>Total</b>	<b><u>853.46</u></b>	<b><u>659.49</u></b>
<b>(27) DEPRECIATION AND AMORTIZATION EXPENSES</b>		
(Amount in INR Lakhs)		
Particulars	2022-23	2021-22
Depreciation	568.64	471.69
<b>Total</b>	<b><u>568.64</u></b>	<b><u>471.69</u></b>
<b>(28) OTHER EXPENSES</b>		
(Amount in INR Lakhs)		
Particulars	2022-23	2021-22
Brokerage & commission	15.96	28.49
Packing expenses	51.36	42.37
Professional Charges	56.51	55.73
Freight & handling charges	174.68	162.39
Rates, Fees & taxes	1.77	0.89
Travelling expense	22.15	4.52
Insurance charges	7.13	9.60
Advertisement & sale promotion expenses	1.79	2.16
Repair & maintenance	67.80	48.55
Auditors remuneration	11.20	8.70
Amortization of deferred revenue expenditure	-	3.62
Loss on sale of property, plant and equipment	-	0.40
Lease rental on machinery	29.60	29.57
Charity & donation	0.60	0.54
Postage & telephone expenses	4.07	5.26
Printing & stationery	9.29	4.99
Rebate & discount	250.77	139.22
Other Misc expenses	91.86	60.81
Provision For CSR	10.49	-
<b>Total</b>	<b><u>807.04</u></b>	<b><u>607.83</u></b>





**SHARP CHUCKS AND MACHINES LIMITED**  
Regd. off: A-12, INDUSTRIAL DEVELOPMENT COLONY, JALANDHAR  
CIN: U27106PB1994PLC014701  
Ph.0181-2611763, 2610341  
Website:www.sharpchucks.com,Email: [cs@sharpchucks.com](mailto:cs@sharpchucks.com)

**Directors' Report**

To,

The Members,

Your Directors have pleasure in presenting their 29<sup>th</sup> Annual Report on the business and operations of the Company and the accounts for the financial year ended March 31<sup>st</sup>, 2023.

1. **Financial summary or highlights/Performance of the Company**

During the year under review, performance of your company as under:

(Rupees)

Particulars	2022-2023	2021-2022
Total Revenue	177,06,86,059	1,52,52,24,249
Profit Before Exceptional & extraordinary items& tax	7,23,18,817	6,48,07,269
Finance Charges	8,53,45,715	6,59,48,523
Provision for Depreciation	5,68,63,766	4,71,68,754
Net Profit Before Tax	7,23,18,817	6,48,07,269
Tax Expense	2,49,79,568	1,94,10,747
Net Profit After Tax	4,73,39,249	4,53,96,522

Balance of Profit brought forward	4,73,39,249	4,53,96,522
Proposed Dividend on Equity Shares	0	0
Tax on proposed Dividend	0	0

The Company achieved total revenue(Net) of Rs.177.06 Crores in the reporting period as compared to Rs. 152.52 crores in the previous year , whereas the company achieved profit (after tax) of Rs.4.73 crores as compared to Rs. 4.53 crores in the previous year . The Company has crossed Rs 200 crores(Gross)revenue in the current reporting period and further the market conditions seems good for the Commercial Tractors Business, this will enable company to achieve good number of sales in this financial year also. During the period under review the constitution of the company has been changed to Limited company w.e.f 20.12.2022.

## **2. Dividend**

With a view to provide a cushion for any financial contingencies in the future and to strengthen the financial position of the Company, your Directors have decided not to recommend any dividend for the period under review.

## **3. Reserves**

Amount of Rs.20,00,000 is transferred apart from the profits for the current year to the Balance Sheet during the financial year ended March 31, 2023.

## **4. Change in the nature of business, if any**

No Change in the nature of the business of the Company done during the year.

## **5. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.**

No material changes and commitments affecting the financial position of the company have occurred between the end of the financial year of the company to which the financial statements relate and the date of this report.

## **6. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future-**

No significant and material orders were passed by the regulators or courts or tribunals which affect the going concern status and future operation of the Company.

## **8. Details in respect of adequacy of internal financial controls with reference to the Financial Statements.**

The Company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use. The Company's internal controls are supplemented by an extensive programme of internal audit, review by management and documented policies, systems support, guidelines and procedures. The internal control is designed to ensure that financial and other records are reliable for preparing financial information and other data.

## **9. Details of Subsidiary/Joint Ventures/Associate Companies**

The Company does not have any Subsidiary, Joint venture or Associate Company .

## **10. Deposits**

The Company has neither accepted nor renewed any deposits during the year under review. However there are unsecured loans from Directors amounting to Rs.2.16 crores .

## **11. Statutory Auditors**

M/s Sharp & Tannan , Chartered Accountants,205-207, Ansal Tower 38, Nehru Place New Delhi-110019 (Firm Registration No. 000452N) has been reappointed as Statutory Auditors for a period of 5 years for FY 2019-2024.

## **12. Internal Auditors**

M/s R.P. Gupta & Associates, Chartered Accountants ,Jalandhar has been appointed as the Internal Auditors of the company .

## **13. Auditors' Report**

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

## **14. Share Capital**

### **A) Issue of equity shares with differential rights**

The Company has not issued any Equity Shares with differential rights during the year under review.

### **B) Issue of sweat equity shares**

The Company has not issued any Sweat Equity Shares during the year under review.

### **C) Issue of employee stock options**

The Company has not provided any Stock Option Scheme to the employees.

### **15. Number of meetings of the Board of Directors& Details of last Annual General Meeting**

The Board of Directors of the Company has done 6 numbers of meetings during this financial year which is in compliance to the provisions of the Companies Act, 2013. The details of the same has been referred in the annual returns of the company

### **16. Conservation Of Energy, Technology Absorption, Foreign Exchange Earnings And Outgo**

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in Annexure A and is attached to this report.

### **17. Directors:**

#### **A) Changes in Directors and Key Managerial Personnel**

During the period under review, following changes has taken place :-

Mr Avinash Shripad Joshi & Mr. Rahul Sharma has been appointed as Non Executive Additional Director w.e.f 17.11.2022, Later on both the directors has been regularised as Non Executive Director w.e.f 15.04.2023.

Mrs Gopika Sikka has been appointed as the Chief financial officer (CFO) w.e.f.28.03.2023.

### **18. Audit Committee**

Our Company has constituted an Audit Committee as per Section 177 and other applicable provisions of Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Power) Rules, 2014 and applicable Clauses of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable guidelines.

### **19. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

The details of the CSR has been annexed to the this board report.

### **20. Changes in Share Capital**

During the Financial Year 2022-2023 , the authorized capital has been increased to Rs 12,00,00,000 and there was no change in the Paid up Share Capital of the company.

### **21. Particulars of loans, guarantees or investments under section 186**

The company has not given any loan, guarantees or has not made any investments.

### **22. Particulars of contracts or arrangements with related parties:**

There were no related transactions during the year 2022-2023

**23. Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013**

There was no case filled during the year, under the sexual harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013. Further Company ensures that there is a healthy and safe atmosphere for every women employee at the workplace and made the necessary policies for safe and secure environment for women employee.

As per notification dt. 31/07/2018 of the Ministry of Corporate Affairs by which amended the Companies (Accounts) Rules 2014 issued under section 134 of the Companies Act, 2013 it is stated as under "The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of women at work place (Prevention, Prohibition & Redressal) Act, 2013"

**25. Managerial Remuneration:**

None of the employee of your company, who was employed throughout the financial year, was in receipt of remuneration in aggregate of sixty lakh rupees or more or if employed for the part of the financial year was in receipt of remuneration of five lakh rupees or more per month.

**26. Secretarial Audit Report**

The requirement of obtaining a Secretarial Audit Report from the practicing company secretary is not applicable to the Company.

**27. Details of establishment of vigil mechanism for directors and employees**

The Company has implemented vigil mechanism for the directors & employees.

**28. Corporate Governance Certificate**

The requirement of obtaining a Corporate Governance Certificate is not applicable to the Company.

**29. Policies Adopted**

The Company has adopted various policies :-

- Whistleblower Policy
- Related Party Transaction Policy
- Policy for Preservation of documents and Archival Policy
- Insider Trading policy
- Code for Fair Disclosures
- Determination of Materiality Policy
- Familiarisation Programme for Independent Directors
- Board Performance Evaluation Policy
- Code of Conduct
- Code of Ethics
- Code of Conduct and Appointment of Independent Directors

### **30.Web address**

Web address of the company is www.sharpchucks.com.

### **31. Directors' Responsibility Statement**

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that—

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis; and

(e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **32.DETAILS OF APPLICATION / ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016**

Neither any application was made nor any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the financial year.

### **33.DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF**

As Company has not done any one time settlement during the year under review hence no disclosure is required.

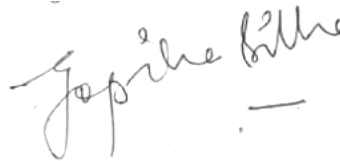
### **34. Acknowledgements**

Your Directors' wishes to place on record its sincere thanks to all the Customers, Suppliers, Bankers and Central and State Government Authorities for extending support to your Company. The Board also places on record its sincere appreciation of the contribution made by all the stakeholders for placing their faith and trust on the Board.

**By Order of the Board of Directors  
For Sharp Chucks & Machines Limited**



Mr. Ajay Sikka  
Designation: Managing Director  
DIN :00665858  
Date :07.09.2023  
Place: Jalandhar



Mrs. Gopika Sikka  
Designation: Director & CFO  
DIN :00665904

## **ANNEXURE 'A' to DIRECTORS' REPORT**

### **Forming Part of the Directors' Report**

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014.

#### **A. Conservation of Energy**

Energy conservation continues to be an area of focus for SHARP. Initiatives to integrate energy efficiency into overall operations are undertaken through design considerations and operational practices. The key initiatives toward conservation of energy were:

- Energy savings through Auto Power saving features in machines.
- Zero water loss cooling towers for the utility areas
- Optimised usage of DG sets and Air compressors.
- Conventional lighting modified by LED.
- Setting internal targets for energy performance improvement and institution of rigorous operational controls toward achieving these targets;
- Creating awareness amongst associates on energy conservation through campaigns and events;
- No specific investment has been made in reduction in energy consumption.

#### **B. Technology Absorption, Adaptation & Innovation**

The Companies (R&D) has been continuously putting effort to develop new products for new applications to Commercial Vehicle & Tractor segments. The Company is committed to introducing new products and improving existing products to have better performance levels. During the year the Company has developed large quantity of new components for these segments. The Company is doing many research activities in the areas of new material development, component weight reduction, yield improvement, core weight reduction, process design, process improvement etc.

Benefits derived as a result of R & D:

- (a) Market expansion and improved competitive position through significantly improved products for new markets.
- (b) New opportunities in global markets by through the new capabilities developed.
- (c) Improved competency for designing process & products for global customers.
- (d) Reduced product development lead time and improved product quality due to advancement of simulation capabilities.
- (e) Improvement of existing products to achieve higher yield, better productivity & more consistent quality

Future plan of action:

- (i) Continued expansion of the product range to serve the local and global market needs.
- (ii) New materials development for innovative next generation products
- (iii) Develop new processes technologies to improve the product quality and performance.
- (iv) To co-develop components closely with our customers to improve product performance & manufacturability



**C. Details of Import of Technology**

During the 2022-2023, the company has not imported any new Technology.

**D. Foreign Exchange Earnings and Outgo**

The information relating to foreign exchange earnings and outgo is provided under Notes to the Balance Sheet and Financial Statements.

**E. INDUSTRIAL RELATIONS:**

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the Company's CSR policy, including overview of projects or programs :-

This policy encompasses the Company's philosophy for giving back to society as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for the transformation and sustainable development of the rural communities at large. Focus areas relate to economic development, quality education, health care, conservation of environment and the creation, maintenance of infrastructure, art, culture and protection of places of public and historical importance

2. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)-Rs 10.49 lacs

3. Details of CSR spent during the financial year.

(a) Total amount to be spent for the financial year;

(b) Amount unspent, if any;

(c) Manner in which the amount spent during the financial year is detailed below.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto to the reporting period	Amount spent : Direct or through implementing agency*
1	Promoting education, including special education and employment enhancing vocation	Promoting education, including special education and employment enhancing vocation skills	Development at nearby areas of Khanna. Funds has been spent in development of schools of the city & employmen	Budget will be allocated after determining each & every CSR activity.	-----	-----	-----

skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;	especially among children, women, elderly, and the differently abled and livelihood enhancement projects;	t enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;				
TOTAL						

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons-

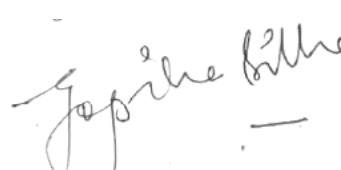
The Company could not spend the CSR funds as the company being into the first year of its CSR activities and is working with suitable projects as required under the CSR.

7. The CSR Committee of the Company hereby confirms that the implementation and monitoring of the CSR Policy, is in compliance with the CSR objectives and Policy of the Company.

**By Order of the Board of Directors  
For Sharp Chucks & Machines Limited**



Mr. Ajay Sikka  
Designation: Managing Director  
DIN :00665858  
Date :07.09.2023  
Place: Jalandhar



Mrs. Gopika Sikka  
Designation: Director & CFO  
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