



30TH
ANNUAL REPORT
OF
SHARP CHUCKS AND
MACHINES LIMITED

FOR
FY 2023-24

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CORPORATE IDENTIFICATION NUMBER

L27106PB1994PLC014701

BOARD OF DIRECTORS

Mr. Ajay Sikka

Mrs. Gopika Sikka

Mr Rahul Sharma

Mr. Avinash Shripad Joshi

Mr.Manmohan Puri

Mr.Suraj Singhal

CHIEF FINANCIAL OFFICER

Mrs. Gopika Sikka

BANKERS

CANARA BANK

Specialised MCB , Jalandhar

STATUTORY AUDITOR

M/s SHARP & TANNAN

Chartered Accountants

Ansal Tower, 38

Nehru Place, New Delhi

INTERNAL AUDITOR

M/s R P Gupta & Associates

Chartered Accountants

66/75 Garden Colony

Jalandhar

SECRETARIAL AUDITOR

M/s Anuj Bansal & Associates

SCS-61, 2nd Floor,

Crystal Plaza Market

,Chhotti Baradari-2,

Jalandhar.

COST AUDITOR

M/s S.K .Verma & Associates

Guru Teg Bahadur Nagar,

Lalheri Road, Khanna Ludhiana

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr.Rajat Kathpalia

REGISTRAR & TRANSFER AGENTS

SKYLINE FINANCIAL SERVICES PVT. LTD.
D-153 A, 1st Floor, Okhla Industrial Area, Phase- I,
New Delhi- 110020
Web: www.skylinerta.com

REGISTERED OFFICE

A-12, Industrial Development Colony, Jalandhar- 144012, Punjab (INDIA)
Website: www.sharpchucks.com
E.mail: cs@sharpchucks.com, Ph.:- 0181-2611763, 2610341

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 30TH Annual General Meeting of Sharp Chucks and Machines Limited will be held on Monday, September 30, 2024, at 03:00 p.m. Indian Standard Time ("IST"), through Video Conferencing/Other Audio-Visual Means ("VC/OAVM") facility, to transact the following business:

ORDINARY BUSINESS:-

1. TO RECEIVE, CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024 AND THE REPORTS OF THE BOARD OF DIRECTORS AND AUDITORS THEREON:

To consider and if thought fit, to pass the following resolution as an ordinary resolution:

"RESOLVED THAT the Audited Financial Statements of the Company for the financial year ended 31st March 2024 and the reports of the Board of Directors and Auditors thereon as circulated to the Members, be and are hereby considered and adopted."

2. To appoint a Director in place of Mr. Rahul Sharma (DIN: 09793480), who retires by rotation and being eligible, offers himself for re-appointment.

To consider and if thought fit, to pass the following resolution as an ordinary resolution:

"RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr Rahul Sharma (DIN: 09793480) who retires by rotation at this meeting and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

3. Appointment of the Statutory Auditors of the Company

To appoint M/s. VP Bhalla & Associates, Chartered Accountants (Firm Registration No. N006105) as Statutory Auditors of the Company to hold office from the conclusion of the 30th Annual General Meeting of the Company till the conclusion of the 35th Annual General Meeting and to fix their remuneration and to pass with or without modification(s), the following Resolutions as an Ordinary Resolution

"RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. VP Bhalla & Associates (Firm Registration No. N006105), be and are hereby appointed as the Statutory Auditors of the Company, to hold office for a period of five years from the conclusion of this Annual General Meeting till the conclusion of the 35th Annual General Meeting of the Company to be held in the year 2029, at such remuneration as may be decided by the Board of Directors of the Company (or any committee thereof) in consultation with the Statutory Auditors.

RESOLVED FURTHER THAT any Director or the Chief Financial Officer or the Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary and expedient to give effect to this resolution.

SPECIAL BUSINESS: -

4. To Ratify Remuneration to the Cost Auditor for the F.Y. 2024-2025

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution

"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 2024-2025 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.”

5. ISSUANCE OF WARRANTS ON A PREFERENTIAL BASIS TO THE PERSONS BELONGING TO NON- PROMOTER, PUBLIC CATEGORY OF THE COMPANY (“INVESTOR PREFERENTIAL ISSUE”):

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

Up to 11,70,000 (Eleven Lakhs Seventy Thousand Only) Fully Convertible Warrants (“Warrants”), to the persons belonging to “Non-Promoter, Public Category” (Proposed Allottees), at an issue price of INR 124/- (Rupees One Hundred Twenty Four Only) per Warrant, which is higher than the floor price determined in accordance with the provisions of Chapter V of ICDR Regulations, for an aggregate amount of up to INR 14,50,80,000 (Rupees Fourteen Crores Fifty Lakhs And Eighty Thousand Only),

“RESOLVED THAT pursuant to the provisions of Section 42, Section 62(1)(c) of the Companies Act, 2013 as amended including rules notified thereunder (“Act”) read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended and other applicable provisions, if any (including any statutory modifications(s) or reenactment thereof, for the time being in force), Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (“Listing Regulations”), enabling provisions of the Memorandum and Articles of Association of the Company, applicable rules, notifications and circulars issued by the Reserve Bank of India and such other acts / rules / regulations as may be applicable and subject to necessary approvals / consents, if any, from the competent statutory and / or regulatory authorities, as may be applicable or necessary including the Securities and Exchange Board of India (“SEBI”) and National Stock Exchange of India Limited (“NSE”) and subject to such terms and condition(s), alteration(s), correction(s), change(s) and/or modification(s) as may be prescribed by any of the competent statutory and / or regulatory authorities while granting consent(s), permission(s) or approval(s), and which may be agreed to by the board of directors of the Company (hereinafter referred to as the “Board” which terms shall be deemed to include any committee(s) which the Board may have constituted or hereinafter constitute to exercise its power including the powers conferred by this resolution) and subject to any other alteration(s), modification(s), condition(s), correction(s), change(s) and variation(s) that may be decided by the Board in its absolute discretion, the consent of the members of the Company be and is hereby accorded to offer, issue and allot, from time to time in one or more tranches, up to 11,70,000 (Eleven Lakhs Seventy Thousand) warrants, each convertible into, or exchangeable for, 1 (one) fully paid-up equity share of the Company having face value of INR 10/- (Indian Rupees Ten Only) (“Equity Share”) each (“Warrants”) at a price (including the Warrant Subscription Price and the Warrant Exercise Price) of INR 124/- (Indian Rupees One Hundred And Twenty Four only) each payable in cash (“Warrant Issue Price”), aggregating upto INR 14,50,80,000 (Rupees Fourteen Crores Fifty Lakhs And Eighty Thousand Only), Proposed Allottees on a preferential basis to persons forming part of the Non-promoter group of the Company whose details are set out below subject to the maximum entitlement of each Warrants Holder as specified below and upon receipt of INR 31/- (Indian Rupees Thirty One Only) for each Warrants, which is equivalent to 25% (twenty five per cent) of the Warrant Issue Price as upfront payment (“Warrant Subscription Price”) entitling the Proposed Allottees to apply for and get allotted one fully paid-up equity share of the Company of face value of INR 10/- (Indian Rupee Ten Only) each against every Warrant held, in one or more tranches within a maximum period of 18 (eighteen) months from the date of allotment of Warrants, on payment of INR 93/- (Indian Rupees Ninety Three only) which is equivalent to 75% (Seventy five per cent) of the Warrant Issue

Price (“Warrant Exercise Price”), for each Warrant proposed to be converted, in such manner and upon such terms and conditions as may be deemed appropriate by the Board in accordance with the terms of this issue, provisions of ICDR Regulations, or other applicable laws in this respect:

Equity share with warrants to be allotted to the following proposed investors: -

Sr. No	Name Of Proposed Allottee	Number of Warrants to be Alloted	Amount to be paid for Warrants (INR)	Number of Shares to be Issued assuming full conversion of Warrants
1	Citrus Global Arbitage Fund	500000	6,20,00,000	500000
2	Monica Bhatia	500000	6,20,00,000	500000
3	SSNK Consultancy Services Private Limited	150000	1,86,00,000	150000
4	Shelly Tyagi	20000	24,80,000	20000
	Total	11,70,000	14,50,80,000	11,70,000

RESOLVED FURTHER THAT the Company hereby notes and takes on record that in accordance with the provisions of Regulation 161 of the ICDR Regulations, the “Relevant Date” for the purpose of calculating the floor price for the issue of equity shares of the Company pursuant to the exercise of conversion of the Warrants is determined to be Friday, September 06, 2024, and the floor price for the preferential issue on the aforesaid Relevant Date pursuant to regulation 164(1) of the ICDR Regulations is INR 124/- (Indian Rupees One Hundred And Twenty Four only).

RESOLVED FURTHER THAT without prejudice to the generality of the above, the Warrants issued shall be subject to the following terms and conditions:

a. In accordance with the provisions of Chapter V of ICDR Regulations, 25% (Twenty Five Per Cent) of the Warrant Issue Price, shall be paid by the Proposed Allottees to the Company on or before allotment of the Warrants and the balance consideration i.e. 75% (Seventy-Five Per Cent) of the Warrant Issue Price shall be paid at the time of exercise of option to apply for fully paid –up Equity shares of INR 10/- (Indian Rupees Ten Only) each of the Company, against each such Warrants held by the Proposed Allottees.

b. The Proposed Allottees shall be entitled to exercise his option to convert any or all of the warrants into equity shares of the Company in one or more tranches after giving a written notice to the Company, specifying the number of warrants proposed to be exercised along with the aggregate Warrant Exercise Price payable thereon, without any further approval from the shareholders of the Company prior to or at the time of conversion. The Company shall accordingly, issue and allot the corresponding number of equity shares of the Company to the Proposed Allottees.

c. The Proposed Allottees shall make payment of Warrant Subscription Price and Warrant Exercise Price from their own bank account into to the designated bank account of the Company.

d. In terms of Regulation 166 of the ICDR Regulations, the price of Warrants determined above and the number of Equity Shares to be allotted on exercise of the Warrants shall be subject to appropriate adjustments, if applicable. If the amount payable on account of the re-computation of price is not paid within the time stipulated in the ICDR Regulations, the Warrants shall continue to be locked-in till the time such amount is paid by the Proposed Allottees.

e. Upon exercise of the option by the Proposed Allottees, the Company shall issue and allot appropriate number of Equity Shares and perform all such actions as are required including to credit the same to the designated securities demat account of the Proposed Allottees.

f. The tenure of Warrants shall not exceed 18 (eighteen) months from the date of allotment. If the entitlement against the Warrants to apply for the Equity Shares of the Company is not exercised by the Proposed Allottees within the aforesaid period of 18 (eighteen) months, the entitlement of the Proposed Allottees to apply for Equity Shares of the Company along with the rights attached thereto shall expire and any amount paid by the Proposed Allottees on such Warrants shall stand forfeited.

g. The Equity Shares so allotted on exercise of the Warrants shall be in dematerialized form and shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari passu with the then existing Equity Shares of the Company, including entitlement to voting powers and dividend.

h. The Warrants by itself, until exercised and converted into equity shares, shall not give to the Proposed Allottees thereof any rights with respect to that of an Equity shareholder of the Company.

i. The Warrants and Equity Shares issued pursuant to the exercise of the Warrants shall be locked-in as prescribed under the ICDR Regulations.”

“RESOLVED FURTHER THAT the pre-preferential allotment shareholding of the Proposed Allottees, if any, in the Company shall also be subject to lock-in as per the provisions of the ICDR Regulations.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board, be and is hereby, jointly and severally authorized on behalf of the Company to do all such other acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary or desirable for such purpose, without being required to seek any further consent or approval of the members of the Company to resolve and settle any matter, question, difficulty or doubt that may arise in regard to the issuance and allotment of Warrants and the equity shares to be allotted pursuant to the conversion of the Warrants, without requiring any further approval of the Members, and to authorize all such persons as may be deemed necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit;”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to, do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or desirable to give effect to the above resolutions, including without limitation to issue and allot Equity Shares upon exercise of the Warrants, to issue certificates/ clarifications on the issue and allotment of Warrants and thereafter allotment of Equity Shares further to exercise of the Warrants, effecting any modifications to the foregoing (including to determine, vary, modify or alter any of the terms and conditions of the Warrants including deciding the size and timing of any tranche of the Warrants), entering into contracts, arrangements, agreements, memorandum, documents to give effect to the resolutions above (including for appointment of agencies, consultants, intermediaries and advisors for managing issuance of Warrants and listing and trading of Equity Shares issued on exercise of Warrants), including making applications to NSE for obtaining of in-principle approval, filing of requisite documents with the Registrar of Companies (“ROC”), National Securities Depository Limited (“NSDL”), Central Depository Services (India) Limited (“CDSL”) and/ or such other

authorities as may be necessary for the purpose, and to take all such steps as may be necessary for the admission of the Warrants and Equity Shares (to be issued on exercise of the Warrants) with the depositories, viz. NSDL and CDSL and for the credit of such Warrants / Shares to the respective dematerialized securities account of the Proposed Allottees, and to delegate all or any of the powers conferred on it by this resolution to any director(s) or officer(s) of the Company and to revoke and substitute such delegation from time to time, as deemed fit by the Board, to give effect to the above resolutions and also to initiate all necessary actions for and to settle all questions, difficulties, disputes or doubts whatsoever that may arise, without limitation in connection with the issue and utilization of proceeds thereof, and take all steps and decisions in this regard, without being required to seek any further consent or approval of the members of the Company or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

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

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

Sd/-
Mr. Rajat Kathpalia
Company Secretary

In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.sharpchucks.com. The Notice can also be accessed from the website of the Stock Exchange i.e. National Stock Exchange of India Limited at www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on 27th September , 2024 at 09:00 A.M. and ends on 29th September, 2024 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 23rd September 2024, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 23rd September 2024.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"><li data-bbox="669 993 1425 1480">1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.<li data-bbox="669 1518 1425 1661">2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp<li data-bbox="669 1698 1425 1919">3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your

sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

4. Shareholders/Members can also download NSDL Mobile App “**NSDL Speede**” facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



Individual Shareholders holding securities in demat mode with CDSL

1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.
2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers’ website directly.
3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi

	<p>Tab and then click on registration option.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on **“Forgot User Details/Password?”**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?”** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
 7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
 8. Now, you will have to click on “Login” button.
 9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
 2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
 3. Now you are ready for e-Voting as the Voting page opens.
 4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
 5. Upon confirmation, the message “Vote cast successfully” will be displayed.
 6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to advisors.india@hotmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Mr Abhishek Mishra at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@sharpchucks.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@sharpchucks.com . If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the

EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@sharpchucks.com .The same will be replied by the company suitably.

EXPLANATORY STATEMENT [Pursuant to the provisions of Section 102 of the Companies Act, 2013, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Item No.: 3

M/s. Sharp & Tannan (Firm Registration No. 000452N), Chartered Accountants, have been the Statutory Auditors of the Company since their Appointment at the Annual General Meeting of the Company held on 30.09.2019.

Pursuant to the provisions of Section 139 (2) of the Companies Act 2013 (the "Act"), read with applicable Rules framed thereunder, the term of the present Statutory Auditors expires at the conclusion of this AGM. The Board of Directors place on record their appreciation for the services rendered by M/s. Sharp & Tannan, Chartered Accountants.

Accordingly, the Board of Directors of the Company has, based on the recommendation of the Audit Committee, at its meeting held on 06.09.2024, proposed the appointment of M/s. VP Bhalla & Associates (Firm Registration No. N006105) as Statutory Auditors of the Company for a term of five consecutive years, to hold office from the conclusion of this AGM till the conclusion of 35th AGM to be held in the year 2029. M/s. VP Bhalla and Associates have consented to the aforesaid appointment and confirmed that their appointment, if made, will be in accordance with the provisions of the Sections 139, 141 and other relevant provisions the Act and the Companies (Audit and Auditors) Rules, 2014.

Details as required under Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

- The fee for services in the nature of statutory certifications and other ancillary services will be decided by the management in consultation with the Statutory Auditors along with the consultation of Audit Committee.
- There is no material change in the proposed fee for the auditor from that paid to the outgoing auditor.
- The Audit Committee and the Board of Directors, while recommending the appointment of M/s. VP Bhalla and Associates, Jalandhar as the Statutory Auditor of the Company, have taken into consideration, among other things, the credentials of the firm and partners, proven track record of the firm and eligibility criteria prescribed under the Act.

Item No.4 – Ratification of Remuneration to Cost Auditors for FY 2024-2025

As per Section 148 of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014, the appointment of Cost Auditor shall be made by the Board of Directors on such remuneration as may be ratified by the Shareholders. Under the Companies (Audit and Auditors) Rules, 2014, the Board while appointing the Cost Auditor is required to approve the remuneration payable to them and the remuneration so approved by the Board shall be ratified by the Shareholders. Accordingly, as recommended by the Audit Committee, the Board has appointed M/s. S.K. VERMA & ASSOCIATES, Cost Accountants (Firm Registration Number 101072), as Cost Auditor of the Company for the FY 2024-2025 at a remuneration of 70,000/- (Rupees Fifty Thousand only) (Inclusive of out of pocket expenses) plus applicable taxes. The approval of the shareholders is sought by passing an ordinary resolution as set out at item no. 2 in the notice, pursuant to the provisions of the Act

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.

Item 5: Issuance of Warrants to the Proposed Allottees of the Company by way of preferential issue:

The Company intends to raise funds from the Identified Proposed Allottees by issuance of the Warrants for the purpose of Working Capital Requirements. Therefore, the Board, in its meeting held on Friday, September 06, 2024, has approved the proposal for issuance of the Warrants to the Proposed Allottees under the Preferential Issuer as per terms stated in the aforesaid resolution, subject to, inter alia, approval of the members of the Company and shall be on the terms and conditions, as mentioned below:

- a. Pursuant to Regulation 160(c) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“ICDR Regulations”), the allotment of the Warrants (including the Equity Shares to be allotted on conversion of such Warrants) shall be made only in dematerialized form.
- b. In accordance with the provisions of Regulation 161 of ICDR Regulations, the ‘Relevant Date’ for the Warrant issue is determined to be Friday, September 06, 2024.
- c. In accordance with the applicable provisions of the ICDR Regulations an amount of INR 31/- (Indian Rupees Thirty-One Only) which is equivalent to 25% (twenty-five per cent) of the Warrant Issue Price shall be paid by the Proposed Allottees to the Company as upfront payment (“Warrant Subscription Price”).
- d. The Proposed Allottees shall be, subject to the ICDR Regulations and other applicable rules, regulations and laws, entitled to exercise the conversion rights attached to the Warrants in one or more tranches within a period of 18 (Eighteen) months from the date of allotment of the Warrants by issuing a written notice to the Company specifying the number of Warrants proposed exchanged or converted with / into the Equity Shares of the Company and making payment at the rate of INR 93/- (Indian Rupees Ninety Three Only) being 75% (seventy five per cent) of the Warrant Issue Price (“Warrant Exercise Price”) in respect of each Warrant proposed to be converted by the Proposed Allottees.
- e. On receipt of such application from the Proposed Allottees, the Company shall without any further approval from the shareholders of the Company take necessary steps to issue and allot the corresponding number of Equity Shares to the Proposed Allottees.
- f. If the entitlement against the Warrants to apply for the Equity Shares of the Company is not exercised by the Proposed Allottees within the aforesaid period of 18 (eighteen) months, the entitlement of the Proposed Allottees to apply for Equity Shares of the Company along with the rights attached thereto shall expire and any amount paid by the Proposed Allottees on such Warrants shall stand forfeited.
- g. The Equity Shares allotted on exercise of the Warrants shall only be in dematerialized form and shall rank pari passu with the existing Equity Shares of the Company including entitlement to voting powers and dividend.
- h. The proposed issue and allotment of the Warrants and the exercise of option thereof will be governed by the Memorandum and Articles of Association of the Company, the Act, the ICDR Regulations, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2018, as amended, (“Listing Regulations”), applicable rules, notifications and circulars issued by the Reserve Bank of India and such other acts / rules /

regulations as maybe applicable and subject to necessary approvals / consents, if any, from the statutory and / or regulatory authorities, as maybe applicable including the Securities and Exchange Board of India.

This resolution is recommended to the members of the Company for their consideration and approval pursuant to the provisions of Sections 42 and 62 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 and any other applicable provisions of the Companies Act, 2013 and the provisions of Chapter V of the SEBI ICDR Regulations.

The disclosure required in terms of provisions of Rule 13(2)(d) of the Companies (Share Capital and Debentures) Rules, 2014, Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 and the provisions of Chapter V of the SEBI ICDR Regulations are as follows:

a. Particulars of the offer including date of passing of Board resolution:

The Board, in its meeting held on Friday, September 06, 2024, has approved the proposal for the creation, offer, issuance and allotment of up to 11,70,000 (Eleven Lakhs Seventy Thousand Only) warrants, each convertible into, or exchangeable for, 1 (one) fully paid-up equity share of the Company having face value of INR 10/- (Indian Rupees Ten Only) (“Equity Share”) each (“Warrants”) at a price (including the Warrant Subscription Price and the Warrant Exercise Price) of INR 124/- (Indian Rupees One Hundred And Twenty Four only) each payable in cash (“Warrant Issue Price”), aggregating up to INR 14,50,80,000 (Rupees Fourteen Crores Fifty Lakhs Eighty Thousand Only) in one or more tranches.

b. The Objects of the issue:

The Company intends to utilize the proceeds raised through the Preferential Issue (“Issue Proceeds”) towards the Working Capital Requirements.

c. Utilization of Issue Proceeds

Given that the funds to be received against Warrants conversion will be in tranches and the quantum of funds required on different dates may vary, therefore, the broad range of intended use of the Issue Proceeds for the above Objects is set out hereinbelow:

Sr. No.	Particulars	Total estimated amount to be utilized for each of the Objects (Rs. In Crores)	Tentive timelines for utilization of issue Proceeds from the date of receipt of fund
2.	Working capital requirements	14,50,80,000	Within 3 to 4 months
	TOTAL	14,50,80,000	

*Considering 100% conversion of Warrants into equity shares within the stipulated time.

Given that the Preferential Issue is for convertible Warrants, the Issue Proceeds shall be received by the Company within 18 (eighteen) months from the date of allotment of the Warrants in terms of Chapter V of the SEBI ICDR Regulations, and as estimated by our management, the entire Issue Proceeds would be utilized for the all the aforementioned Objects, in phases, as per the Company's business requirements and availability of Issue Proceeds, within 3 (Three) to 4 (Four) months from the date of receipt of funds for the Warrants (as set out herein).

In terms of the BSE Circular No. 20221213-47 dated December 13, 2022, the amount specified for the aforementioned Objects may deviate +/- 10% depending upon the future circumstances, given that the Objects are based on management estimates and other commercial and technical factors. Accordingly, the same is dependent on a variety of factors such as financial, market and sectoral conditions, business performance and strategy, competition and other external factors, which may not be within the control of the Company and may result in modifications to the proposed schedule for utilization of the Issue Proceeds at the discretion of the Board, subject to compliance with applicable laws.

If the Issue Proceeds are not utilized (in full or in part) for the Objects during the period stated above due to any such factors, the remaining Issue Proceeds shall be utilized in subsequent periods in such manner as may be determined by the Board, in accordance with applicable laws.

This may entail rescheduling and revising the planned expenditure and funding requirements and increasing or decreasing the expenditure for a particular purpose from the planned expenditure as may be determined by the Board, subject to compliance with applicable laws.

d. Interim Use of Issue Proceeds

Our Company, in accordance with the policies formulated by our Board from time to time, will have flexibility to deploy the Issue Proceeds. Pending complete utilization of the Issue Proceeds for the Objects described above, The Company intends to deposit the pending utilization of the gross proceeds for the Objects with scheduled commercial banks included in the second schedule of the Reserve Bank of India Act, 1934 or in such other opportunities as may be allowed by the Board from time to time.

e. Monitoring of utilisation of funds

- i. Given that the issue size exceeds doesn't Rs. 100 Crore (Indian Rupees One Hundred Crore), in terms of Regulation 162A of the SEBI ICDR Regulations, the Company doesn't require to appoint any credit rating Agency, a SEBI registered Credit Rating Agency as the monitoring agency to monitor the use of the proceeds of the Preferential Issue ("Monitoring Agency").

f. Kinds of securities offered, the total number of shares or other securities to be issued, the price at which security is being offered and amount which the Company intends to raise by way of such securities:

The Company propose to issue in one or more tranches up to 11,70,000 (Eleven Lakhs Seventy Thousand) warrants, each convertible into, or exchangeable for, 1 (one) fully paid-up equity share of the Company having face value of INR 10/- (Indian Rupees Ten Only)

("Equity Share") each ("Warrants") at a price (including the Warrant Subscription Price and the Warrant Exercise Price) of INR 124/- (Indian Rupees One Hundred And Twenty Four only) each payable in cash ("Warrant Issue Price"), in one or more tranches which is not less than the floor price determined in accordance with Chapter V of the SEBI ICDR Regulations for an aggregate consideration of up to INR 14,50,80,000/- (Indian Rupees Fourteen Crores Fifty Lakhs And Eighty Thousand only)

g. Basis on which the price has been arrived at along with report of the registered valuer:

- i. In terms of the SEBI ICDR Regulations, the floor price at which the Warrants can be issued is INR 124/- (Indian Rupees One Hundred And Twenty Four Only) respectively, as per the pricing formula prescribed under the SEBI ICDR Regulations for the preferential Issue and is Highest of the following:
 - a. 90 (ninety) trading days volume weighted average price (VWAP) of the equity shares of the Company preceding the Relevant Date: i.e. INR 114.71/- (Indian Rupees One Hundred Fourteen and Paise Seventy One Only) per equity share;
 - b. 10 (ten) trading days volume weighted average price (VWAP) of the equity shares of the Company preceding the Relevant Date: i.e. INR 123.91/- (Indian Rupees One Hundred Twenty Three and Paise Ninety One Only) per equity share.
 - c. Floor price determined in accordance with the provisions of the articles of association of the Company. However, the articles of association of the Company does not provide for any method of determination for valuation of shares which results in floor price higher than determined price pursuant to SEBI ICDR Regulations.
- ii. Since the Proposed Preferential Issue is expected to result in a change in control or allotment of not more than 5% (five per cent) of the post issue fully diluted share capital of the Company, the Company is not required to obtain a valuation report from an independent registered valuer and consider the same for determining the price. Further, given that the equity shares of the Company have been listed for a period of more than 90 (ninety) trading days prior to the relevant date, the Company is not required to re-compute the issue price as per Regulation 164(3) the SEBI ICDR Regulations, and therefore, the Company is not required to submit the undertakings specified under Regulations 163(1)(g) and 163(1)(h) of the SEBI ICDR Regulations.

h. The price or price band at/within which the allotment is proposed:

As stated in clause g. above, the Warrants are proposed to be issued at an issue price of INR 124/- (Indian Rupees One Hundred And Twenty Four Only) per Warrant.

i. Relevant Date with reference to which the price has been arrived at:

The 'relevant date' for the purpose of determination of the floor price for issue of the Warrants as per provisions of Chapter V of the SEBI ICDR Regulations and other applicable laws is Friday, September 06, 2024 ("Relevant Date"), being the date 30 (Thirty) days prior to the date on which the meeting viz. this Annual General Meeting of members of the Company is proposed to be held to consider and approve the Proposed Allottees.

j. The class or classes of persons to whom the allotment is proposed to be made:

The equity shares are proposed to be issued and allotted to private investors comprising of Individuals and Body Corporate, who shall hold the equity shares in the Company under the Non-Promoter Public Category. The Warrants shall be issued and allotted to the Proposed Allottees as detailed herein below:

Sr. No	Name	Number of Warrants to be Alloted	Amount to be paid for Warrants (INR)	Number of Shares to be Issued assuming full conversion of Warrants
1	Citrus Global Arbitage Fund	500000	6,20,00,000	500000
2	Monica Bhatia	500000	6,20,00,000	500000
3	SSNK Consultancy Services Private Limited	150000	1,86,00,000	150000
4	Shelly Tyagi	20000	24,80,000	20000
	Total	1170000	14,50,80,000	1170000

k. Intention of Promoters, Directors or Key Managerial Personnel to subscribe to the offer:

The promoters and promoter group doesn't intent to participate in the Preferential Issue.

l. The proposed time within which the allotment shall be completed:

The Warrants shall be allotted by the Company to the Identified Proposed Allottees in dematerialized form within a period of 15 (fifteen) days from the date of passing of this special resolution by members of the Company, provided that, where the issue and allotment of the said Warrants to the Identified Proposed Allottees is pending on account of pendency of approval of any regulatory authority (including, but not limited to the Stock Exchange), the issue and allotment shall be completed within a period of 15 (fifteen) days from the date of receipt of last of such approvals.

- n. The names of the proposed allottees, the identity of the natural persons who are the ultimate beneficial owners of the Warrants proposed to be allotted and/ or who ultimately control the proposed allottees and the percentage of post preferential offer capital that may be held by them:

Gaurav	Name of Proposed Investor	Ultimate Beneficial Owners (UBO')	Maximum Amount / Up to (INR)	Pre-preferential allotment Shareholding %	Post-Preferential allotment Shareholding % * **
1.	Citrus Global Arbitrage Fund	Neeraj Gupta	6,20,00,000	0.00%	
4.	SSNK Consultancy Services Private Limited	Shammi Khanna, Sunny Raheja	1,86,00,000	0.00%	

* Assuming competition of the preferential allotment to proposed Investors.

** The post preferential percentage of shareholding has been calculated assuming that all the Warrants allotted will be converted into equity shares.

- o. The change in control, if any, in the Company that would occur consequent to the preferential offer:

The Promoter Preferential Issue will not result into change in the control of the Company.

- p. The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price:

During the financial year viz. 2024-2025, the Company has made any issue and allotment of 7,50,000 (Seven Lakh Fifty Thousand) fully paid-up Equity Shares of the Company and 36,32,000 (Thirty Lac Lakh Thirty Two Thousand) Equity Share Warrants on preferential basis.

- q. The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:

Not applicable as Non- Promoter Preferential Issue is proposed to be made for cash consideration.

- r. The pre-issue and post issue shareholding pattern of the Company:

The pre-issue and the post-issue shareholding pattern of the Company (considering full allotment of equity shares to be issued on preferential basis as per this Notice) is mentioned hereinbelow:

Sr. No.	Category	Pre-Issue		*@ Post Issue	
		No. of Equity Shares	% of Shareholding	No. of Equity Shares	% of Shareholding
A.	Promoter and Promoter Group Shareholders				
1.	Indian				
a)	Individuals/HUF				
b)	Bodies Corporate	9230542	63.68%	9230542	58.92%
c)	Others	-	-	-	-
	Sub-total (A1)	9230542	63.68%	9230542	58.92%
2.	Foreign	-	-	-	-
a)	Bodies Corporate	-	-	-	-
	Sub-Total(A2)		-	-	-
	Total Promoters and Promoters Group (A= A1+A2)				
B.	Non-Promoter/Public Shareholders				
3.	Institutional Investors	2000	0.013%	502000	3.20%
4.	Non-Institutions	-		-	-
a)	Bodies Corporate	579000	3.99%	729000	4.65%
b)	Directors and relative	-		-	-
c)	Indian Public	4649250	32.07%	5169250	33.00%
d)	Others (Including NRIs)	34000	0.234%	34000	0.22%
	Total Non-Promoters/Public	5264250	36.32%	6434250	41.07%

	Shareholders(B)				
	Grand Total (A+B)	14494792	100.00%	15664792	100.00%

Assuming completion of the preferential allotment to Proposed Investors and Identified Promoters

@ The post preferential percentage of shareholding has been calculated assuming that all the Warrants allotted will be converted into equity shares.

s. The current and proposed status of the allottee post the preferential issues namely, promoter or non-promoter:

As mentioned above, the Proposed Allottees are forming part of Non-Promoter Public Category of the Company and such status will continue to remain the same post the Preferential Issue.

t. Lock-in Period:

The pre-preferential allotment shareholding of the Identified Proposed Allottees, if any, in the Company and Warrants allotted in terms of this resolution and the resultant Equity Shares arising on exercise of rights attached to such Warrants shall be subject to lock-in as per the provisions of the ICDR Regulations.

u. Listing:

Post conversion of Warrants into Equity Shares to be allotted to the Identified Proposed Allottees shall be listed and shall be admitted for trading on the NSE, subject to requisite approval from the Stock Exchange.

v. Practicing Company Secretary's Certificate

As required under the provisions of Regulation 163(2) of SEBI ICDR Regulations, a certificate issued by, M/s. Vikas Verma & Associates certifying, inter alia, that the Preferential Issue is being made in accordance with the Chapter V of the SEBI ICDR Regulations, shall be placed before the meeting of the members. The said certificate issued by M/s. Vikas Verma & Associates, Practicing Company Secretaries, is also hosted on the website of the Company at www.sharpchucks.com

w. Undertakings / Confirmations:

1. The Company is eligible to undertake the preferential issue in accordance with the provisions of the Chapter V of the SEBI ICDR Regulations.
2. None of the promoters and/or directors of the Company are a fugitive economic offender as defined under the SEBI ICDR Regulations.

3. Neither the Company nor any of its promoters and/or directors have been declared as wilful defaulter or a fraudulent borrower as defined under the SEBI ICDR Regulations.

Consequently, the disclosures required under Regulation 163(1)(i) of the SEBI ICDR Regulations are not applicable.

4. Each of Identified Proposed Allottees has confirmed that it has not sold any equity shares of the Company during the 90 trading days preceding the Relevant Date.

5. As the equity shares of the Company are listed on recognized Stock Exchange for a period of more than 90 trading days prior to the Relevant Date, the Company is not required to re-compute the price. However, the Company shall re-compute the price of the relevant securities to be allotted under the preferential allotment in terms of the provisions of SEBI ICDR Regulations if it is required to do so. If the amount payable on account of the re-computation of price is not paid within the time stipulated in SEBI ICDR Regulations, the relevant securities to be allotted under the preferential issue shall continue to be locked-in till the time such amount is paid by the respective allottees.

The approval of the members is being sought to enable the Board to issue and allot the Warrants on a preferential basis, to the extent and in the manner as set out in the resolution and the explanatory statement. The Board of Directors of the Company believes that the proposed issue is in the best interest of the Company and its members.

None of the Directors, Key Managerial Personnel or their relatives are not in any way concerned or interested, financially or otherwise, in the proposed resolution, except to the extent of their shareholding in the Company, if any.

The Board of Directors recommend passing of the special resolution at item no. 5 of the accompanying notice for the approval of the Members of the Company.

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

Sd/-

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

Sd/-

Mr. Rajat Kathpalia
Company Secretary

ANNEXURE TO THE NOTICE

DETAILS OF DIRECTOR RETIRING BY ROTATION/SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING Name	Rahul Sharma
Director Identification Number (DIN)	09793480
Designation/category of the Director	Non-Executive Director
Age	
Qualifications	
Experience (including expertise in specific functional area)	
Terms and Conditions of Appointment /Reappointment	As mutually agreed
Date of first appointment on the Board	17/11/2022
Shareholding in the Company as on date of notice	
Number of meetings of the Board attended during the year	8
Directorships of other Boards as on March 31, 2024	-
The Justification for choosing the appointees for appointment as Independent Directors	-
Membership / Chairmanship of Committees of other Boards as on March31, 2024	Nil
Relationship with Other Directors	NA

SHARP CHUCKS AND MACHINES LIMITED
Regd. off: A-12, INDUSTRIAL DEVELOPMENT COLONY, JALANDHAR
CIN: L27106PB1994PLC014701
Ph.0181-2611763, 2610341
Website:www.sharpchucks.com,Email: cs@sharpchucks.com

Directors' Report

To,

The Members,

Your Directors have pleasure in presenting their 30th Annual Report on the business and operations of the Company and the accounts for the financial year ended March 31st, 2024.

1. Financial summary or highlights/Performance of the Company

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

(In lacs)

Particulars	2023-2024	2022-2023
Total Revenue	20201.70	17706.86
Profit Before Exceptional & extraordinary items& tax	852.13	723.19
Finance Charges	954.80	853.46
Provision for Depreciation	651.20	568.64
Net Profit Before Tax	852.13	723.19
Tax Expense	241.56	249.79
Net Profit After Tax	610.47	473.39
Balance of Profit brought forward	610.47	473.39

Proposed Dividend on Equity Shares	0	0
Tax on proposed Dividend	0	0

The Company achieved total revenue of Rs.20,201.70 lakhs in the reporting period as compared to Rs. 17,706.86 crores in the previous year , whereas the company achieved profit (after tax) of Rs.610.47 lakhs as compared to Rs. 473.39 lakhs in the previous year . The Company has yet again crossed Rs 200 crores(Gross)revenue in the current reporting period and further your company is looking forward to achieve target of 300 crores in the current financial year

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, 2024.

4. Change in the nature of business, if any

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

Listing Information

The Equity Shares in the Company are continued to be listed with NSE EMERGE Platform and in dematerialized form. The ISIN No. of the Company is INE460Q01014.

Statement Pursuant To Listing Agreement

The Company Equity Shares is listed at National Stock Exchange of India Limited (Emerge Platform). The Annual Listing fee for the year 2024-25 has been paid.

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.75.92 lakhs .

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 is retiring in the forthcoming annual general meeting of the company

12. Internal Auditors

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

Cost Auditor

M/s S.K .Verma & Associates , cost accountants (Firm No 101072) has been appointed as the Cost Auditor for the financial year 2023-2024.

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

During the year under review total 8(Eight) Meetings of the Board was met 08(Eight) times in below mentioned date:

- 29 April 2023
- 30 June 2023
- 07 September 2023
- 23 September 2023
- 09 October 2023
- 10 October 2023
- 18 December 2023
- 05 March 2024

The gap between the Board Meetings was within the period prescribed under Companies Act, 2013 and Secretarial Standard issued by the ICSI.

S. No.	Name of Director	Designation	No. of Board Meeting eligible to attend	No. of Meetings attended	No. of Meeting in which absent
1	Mr Ajay Sikka	Managing Director	8	8	0
2	Mrs Gopika Sikka	Executive Director	8	8	0
3	Mr Rahul Sharma	Non-Executive Director	8	8	0
4.	Mr. Avinash Shripad Joshi	Non-Executive Director	8	8	0
5.	Mr.Manmohan Puri	Non-Executive Independent Director	8	8	0
6.	Mr.Suraj Singhal	Non-Executive Independent Director	8	5	3

COMMITTEE(S) AND THEIR MEETINGS THEREOF: Currently, the Board has three committees:

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholder Remuneration Committee.

AUDIT COMMITTEE

The Audit Committee of the Board is responsible for oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, adequate and credible; and for reviewing the annual financial statements before submission to the Board. The Committee periodically reviews the adequacy of internal control systems.

The Committee reviews the financial and risk management policies of the Company.

During the Financial Year under review 05 (Five) meetings of the Audit Committee were convened and held.

NOMINATION AND REMUNERATION COMMITTEE

Pursuant to Section 178(3) of the Companies Act, 2013, the Board duly constituted Nomination and Remuneration Committee and have laid down the following criteria:

1. Criteria for nomination as Director, Key Managerial Personnel and Independence of a Director:
2. Criteria for determining Remuneration of Directors, Key Managerial Personnel and Senior Management and Other Employees of the Company.
3. Evaluation of the performance of members of the Board of Directors and Key Managerial Personnel.

During the year under review One (1) meeting of the Nomination and Remuneration Committee.

STAKEHOLDER RELATIONSHIP COMMITTEE

The company has duly constituted stakeholder relationship committee u/s 178(5) of Companies Act, 2013 consisting of chairman who shall be non-executive and the members decided by the board.

During the year under review One (1) meeting of the Stakeholder Relationship Committee

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 Mahendra Lodha has resigned from the post of Nominee Director w.e.f 09.06.2023.

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 2023-2024, there was no change in the authorized capital and however there was change in Paid up Share Capital of the company during the period under review.

During the year, the Company came up with an INITIAL PUBLIC ISSUE (IPO) of equity size of 2,904,000 Equity Shares, each having a Face Value of Rs 10 and a Premium of Rs 48 per Equity Share at a collective price of Rs.58 per equity share. This IPO included an Offer for Sale (OFS) of 1,928,516 Equity Shares held by SIDBI Trustee Company Limited A/c India Opportunities Fund and included a fresh issue of 975,484 Equity Shares, each with a Face Value of Rs 10 and a Premium of Rs 48 per Equity Share at a collective price of Rs.58 per equity share. The issue was fully subscribed, and the Company's Shares were listed on the SME EMERGE Platform of National Stock Exchange of India ('NSE EMERGE') on October 12, 2023.

Accordingly the Paid up capital was Rs 9,78,43,080 comprised of 97,84,308 equity shares, pursuant to the IPO , the Paid up capital has been increased to Rs.10,75,97,920 comprising of 1,07,59,792 equity shares .

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 are no materially significant related party transactions made by the company with related parties which may have potential conflict with the interest of the company at large. Further, details of material related party transactions as required to be provided in format of AOC-2 pursuant to clause (h) of sub-section (3) of section 134 of the Act and applicable rules of the Companies Act, 2013 form part of this report.

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

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Anuj Bansal, Practicing Company Secretaries to carry out Secretarial Audit for the financial year 2023-24. The Secretarial Audit report is annexed as "Annexure – III" to this Report. The report does not contain any qualifications. The Auditors' Report does not contain any qualifications, reservations or adverse remarks.

Management Discussions & Analysis Report

As required under Regulation 34 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("Listing Regulations") the Management Discussion and Analysis of the Company for the year under review is presented in a separate section forming the part of the Annual Report is attached here with as a Annexure.

Extract Of Annual Return

Pursuant to the provision of Section 92(3) of the Companies Act, 2013 read with Rule 12 (1) of the Companies (Management and Administration) Rules, 2014, the extract of annual return as on 31st March 2024 will be available on the website of the Company i.e., at [https://www.sharpchucks .com/](https://www.sharpchucks.com/)

BOARD EVALUATION

As per provisions of Section 134(3) of the Companies Act, 2013 and Rules made thereunder, the Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual Directors.

The performance of the Board of Directors and its Committees were evaluated on various parameters such as structure, composition, experience, performance of specific duties and obligations, quality of decision making and overall effectiveness.

The performance of individual Directors was evaluated on parameters, such as meeting attendance, participation and contribution and independent judgment.

The Board members noted from time to time the suggestions/ inputs of Independent Directors, Nomination Committee and Audit Committee and also discussed various initiatives to further improve the Board effectiveness.

RISK MANAGEMENT

During the year, The Board had developed and implemented an appropriate Risk Management Policy for identifying the element of risk which, in the opinion of the Board may threaten the existence of the Company and safeguarding the Company against those risks.

CODE OF CONDUCT AND ETHICS

The Board of Directors of the Company has adopted a Code of Conduct and Ethics for the Directors, Key Managerial Personnel and Senior Executives of the Company. Commitment to ethical professional conduct is a must for every employee, including Board members and senior management personnel of the Company. The Code is intended to serve as a basis for ethical decision-making in conduct of professional work. The Code of Conduct enjoins that each individual in the organization must know and respect existing laws, accept and provide appropriate professional views, and be upright in his conduct and observe corporate discipline. The duties of Directors including duties as an Independent Director as laid down in the Companies Act, 2013 also forms part of the Code of Conduct.

The Company has disclosed information about the establishment of the code on its website. All Board members and senior management personnel affirm compliance with the Code of Conduct annually and The Company has complied with the provisions relating to affirmation of Compliance as per Schedule V of SEBI (Listing Obligations and Disclosure Requirements).

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

As per regulation 15(2) of the Listing Regulation, the Compliance with the Corporate Governance provisions shall not apply in respect of the following class of the Companies:

- a. Listed entity having paid up equity share capital not exceeding Rs. 10 Crore and Net worth not exceeding Rs. 25 Crore, as on the last day of the previous financial year;
- b. Listed entity which has listed its specified securities on the SME Exchange.

Since, our Company falls in the ambit of aforesaid exemption (b); hence compliance with the provisions of Corporate Governance shall not apply to the Company and it does not form the part of the Annual Report for the financial year 2023-24.

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

Sd/-

Mr. Ajay Sikka

Designation: Managing Director

DIN :00665858

Date :06.09.2024

Place: Jalandhar

Sd/-

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 2023-2024, 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.

Form No. AOC-2 **ANNEXURE-B**
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the
Companies (Accounts) Rules, 2014)
Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
	Name (s) of the related party & nature of relationship	NIL
	Nature of contracts/arrangements/transaction	NIL
	Duration of the contracts/arrangements/transaction	NIL
	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
	Justification for entering into such contracts or arrangements or transactions'	NIL
	Date of approval by the Board	NIL
	Amount paid as advances, if any	NIL
	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NIL

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
	Name (s) of the related party & nature of relationship	NIL
	Nature of contracts/arrangements/transaction	NIL
	Duration of the contracts/arrangements/transaction	NIL
	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
	Date of approval by the Board	NIL
	Amount paid as advances, if any	NIL

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

Sd/-
Mr. Ajay Sikka
Designation: Managing Director
DIN :00665858
Date :06.09.2024
Place: Jalandhar

Sd/-
Mrs. Gopika Sikka
Designation: Director & CFO
DIN :00665904

[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 12.50 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*(in Lacs)
1	Promoting Green Environment ,healthy well being of current and future generations ,sustainable	Promoting Green Environment ,healthy well being of current and future generations ,sustainable developmen	Initiative has been taken on pan India basis .favouring nearby areas of Punjab , Delhi and	Budget will be allocated after determining each & every CSR activity.	-----	-----	12.50

	development and clean environment	t and clean environment	NCR specifically				
	TOTAL						12.50

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-NA

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**

Sd/-
Mr. Ajay Sikka
Designation: Managing Director
DIN :00665858
Date :06.09.2024
Place: Jalandhar

Sd/-
Mrs. Gopika Sikka
Designation: Director & CFO
DIN :00665904

Information of Particulars of employees pursuant to Section 197 of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

S.NO.	PARTICULARS	REMARKS					
		Sr. No.	Name of Director	Category	Total remuneration	Ratio of remuneration of director to median remuneration	
1.	The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year.	1.	Ajay Sikka	Managing Director	33,00,000		
		2.	Gopika Sikka	Director/CFO	16,50,000		
2	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.	Sr. No.	Name	Category	Remuneration(amt in lacs)		Increase(%)
					23-24	22-23	
		1.	Ajay Sikka	Managing Director	33	18	83.33%
		2.	Gopika Sikka	Director/CFO	16.50	9	83.33%
3	The percentage increase in the median remuneration of employees in the financial year	Particulars		Remuneration		Increase (%)	
				23-24	22-23		
4	The number of permanent employees on the rolls of Company at the end of the year	548					
5	The explanation on the relationship between average increase in remuneration and Company performance	Not Applicable					

6	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Sr. No.	Remuneration		Increase(%)
			23-24	22-23	
		Average salary of all employees (other than Key Managerial Personnel) Average	-	-	
		Salary of Managing Director	33	18	83.33%
		Average Salary of Director/ CFO	16.50	9	83.33%
7	Affirmation that the remuneration is as per the remuneration policy of the Company	The Directors affirm that the remuneration paid is as per the Remuneration Policy of the Company.			

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

Sd/-
Mr. Ajay Sikka
Designation: Managing Director
DIN :00665858
Date :
Place: Jalandhar

Sd/-
Mrs. Gopika Sikka
Designation: Director & CFO
DIN :00665904

Annexure
MANAGEMENT DISCUSSION AND ANALYSIS

Your Directors have pleasure in presenting the Management Discussion and Analysis report for the year ended on 31st March, 2024. Statements in this Management Discussion and Analysis of Financial Condition and Results of Operations of the Company describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities laws and regulations. Forward looking statements are based on certain assumptions and expectations of future events. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of their dates.

1. Industry structure and developments.

Indian economy is going through a period of rapid 'financial liberalization'. Today, the 'intermediation' is being conducted by a wide range of financial institutions through a plethora of customer friendly financial products.

Over the years, our company has built a strong presence in the market through its cumulative experience, strong distribution network as well as sound systems and processes.

2. Opportunities and threats.

Being a Manufacturing company, our company is exposed to specific risks that are particular to its business and the environment within which it operates including interest rate volatility, economic cycle, and market risk.

3. Segment-wise or product-wise performance.

During the year under review, since company is being working in a single segment therefore the specific performance does not stand eligible.

4. Outlook

The Board of Directors and the Management of the Company are pursuing various available options to rehabilitate the Company and considering future business plans for the Company.

5. Risks and areas of concern

Our strength is our determination and team work, opportunities are multiples and threats are the vibrations in the economy and government policies.

In any business, risks and prospects are inseparable. As a responsible management, the Company's principal endeavour is to maximize returns. The Company continues to take all steps necessary to minimize its expenses through detailed studies and interaction with experts.

6. Internal control systems and their adequacy

The Company has carried out the internal audit in-house and has ensure that recording and reporting are adequate and proper, the internal controls exist in the system and that sufficient measures are taken to update the internal control system. The system also ensures that all transaction are appropriately authorised, recorded and reported. Exercises for safeguarding assets and protection against unauthorised use are undertaken from time to time. The Company's audit Committee reviewed

the internal control system. All efforts are being made to make the internal control systems more effective. All these measures are continuously reviewed by the management and as and when necessary improvements are effected.

7. Discussion on financial performance with respect to operational performance

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 and Generally Accepted Accounting Principles in India. Further, the financial performance during the year under reference has been impressive in terms of sales. Even though there has been a decent increase in the turnover, the volume of profits has also increased as compared to last year.

8. Material developments in human resources/industrial relations front, including number of people employed.

The company had sufficient numbers of employees at its administrative office. The company recognizes the importance of human value and ensures that proper encouragement both moral and financial is extended to employees to motivate them. The company enjoyed excellent relationship with workers and staff during the last year.

9. Cautionary Statement

The statements in the "Management Discussion and Analysis Report" section describes the Company's objectives, projections, estimates, expectations and predictions, which may be "forward looking statements" within the meaning of the applicable laws and regulations. The annual results can differ materially from those expressed or implied, depending upon the economic and climatic conditions, Government policies and other incidental factors.

CHAIRMAN'S DECLARATION ON CODE OF CONDUCT

To

The Members of

Sharp Chucks and Machines Limited

This is to certify that the Company has laid down a Code of Conduct (the Code) for all Board Members and Senior Management Personnel of the Company and a copy of the Code is put on the website of the Company viz [https://www.sharpchucks .com/](https://www.sharpchucks.com/)

It is further confirmed that all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for Board of Directors and Senior Management Personnel, as approved by the Board, for the financial year ended on March 31, 2024.

For Sharp Chucks & Machines Limited

Sd/-

Mr. Ajay Sikka

Designation: Managing Director/Chairman

DIN :00665858

Date :

Place: Jalandhar

CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

To,
The Board of Director
SHARP CHUCKS AND MACHINES LIMITED
A-12, INDUSTRIAL DEVELOPMENT COLONY
JALANDHAR PUNJAB

Dear Members of the Board

I, Gopika Sikka, Chief Financial Officer of SHARP CHUCKS AND MACHINES LIMITED, to the best of my knowledge and belief hereby certify that:

- (a) We have reviewed financial statements and the cash flow statements for the year ended 31st March, 2024 and that to the best of my knowledge and belief;
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) 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 no transactions entered into by the Company during the year that 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 have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting . we have disclosed to the auditors and the Audit Committee, that there were no deficiencies in the design or operation of such internal controls of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the auditors and the Audit Committee:

- (i) that there were no significant changes in internal control over financial reporting during the financial year ended March 31, 2024;
- (ii) that there were no significant changes in accounting policies during the financial year ended March 31, 2024; and
- (iii) that there were no instances of significant fraud of which we have become aware and the involvement therein, of the management or an employee having a significant role in the Bank's internal control system over financial reporting.

For & on behalf of
SHARP CHUCKS AND MACHINES LIMITED

Sd/-

Mrs Gopika Sikka
Chief Financial Officer



SHARP & TANNAN

Chartered Accountants

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, 2024, 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, 2024, 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.



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Shreedhar T. Kunte Rajkumar Khullar
Pavan K. Aggarwal Raghunath P. Acharya
Associate Offices: Bangalore, Chennai, Goa, Mumbai, Pune & Hyderabad

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 except for matters stated in the paragraph 'h' below on reporting under Rule 11(g) ;
 - (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 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 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.
 - 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) Based on our examination which included test checks and information given to us, the Company has used accounting software for maintaining its books of account, which did not have a feature of recording audit trail (edit log) facility throughout the year for all relevant transactions recorded in the respective software, hence we are unable to comment on audit trail feature of the said software.

Place: Jalandhar
Date : 29-05-2024



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

Rajkumar

RAJKUMAR KHULLAR
Partner
Membership No. 092507

UDIN: 24092507BKFCCT8782

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, 2024 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 such physical verification of inventories when compared with books of account. [Also refer note no 30(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. In Lakhs)	Period to which the amount relates	Forum where disputes are pending
NIL				

- (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.523.38 Lakhs for long-term purposes.



- (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) In our opinion and according to the information and explanations given to us, the monies raised by way of initial public offer during the year have been applied for the purposes to which they were obtained. The amount of unutilized proceeds as at 31st March, 2024 amounted to Rs. 1.25 Lakhs (Also, refer note no 30(L) to the financial statements).
- (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, the internal audit reports issued till date, for the period under 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) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

Place: Jalandhar
Date : 29-05-2024



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

Rajkumar

RAJKUMAR KHULLAR
Partner
Membership No. 092507

UDIN: 24092507BKFCCT8782

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, 2024 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 31st March, 2024 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.

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

Rajkumar

RAJKUMAR KHULLAR
Partner
Membership No. 092507

UDIN: 24092507BKFCCT8782

Place: Jalandhar
Date : 29-05-2024



SHARP CHUCKS AND MACHINES LIMITED

BALANCE SHEET AS AT MARCH 31,2024

(Amount in Lakhs)

Particulars	Note	As at 31-03-2024	As at 31-03-2023
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share capital	1	1,075.98	978.43
Reserve & surplus	2	5,044.82	4,233.13
		<u>6,120.80</u>	<u>5,211.56</u>
NON CURRENT LIABILITIES			
Long terms borrowings	3	2,027.99	2,763.72
Deferred tax liabilities (net)	4	699.77	609.80
Other long term liabilities	5	125.92	316.32
Long term provisions	6	106.28	87.84
		<u>2,959.96</u>	<u>3,777.68</u>
CURRENT LIABILITIES			
Short term borrowings	7	5,395.18	5,042.76
Current maturity of long term borrowings	8	963.64	911.40
Trade payables :-			
-Total outstanding dues of micro enterprises and small enterprises		408.39	162.23
-Total outstanding dues of creditors other than micro enterprises and small enterprises	9	2,807.78	2,138.74
Other current liabilities	10	919.80	541.19
Short term provisions	11	164.22	143.72
		<u>10,659.01</u>	<u>8,940.04</u>
Total		<u>19,739.77</u>	<u>17,929.28</u>
ASSETS			
NON CURRENT ASSETS			
PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSETS			
Property, Plant and Equipment	12	7,960.80	7,294.70
Intangible assets	12	0.80	0.80
Capital work in progress	12	9.23	390.04
Intangible assets under development	12	-	-
Non-current investment		-	-
Long term loans & advances	13	15.52	40.85
Other non-current assets	14	337.73	327.95
CURRENT ASSETS			
Current investments		-	-
Inventories	15	7,608.13	8,464.89
Trade receivables	16	3,264.30	2,910.06
Cash and cash equivalents	17	187.11	135.90
Short term loans & advances	18	356.15	364.29
Other current assets	19	-	-
Total		<u>19,739.77</u>	<u>17,929.28</u>
CONTINGENT LIABILITIES			
CAPITAL COMMITMENTS			
SIGNIFICANT ACCOUNTING POLICIES			
OTHER NOTES FORMING PART OF THE ACCOUNTS			

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

Rajkumar Khullar

Partner

Membership no:- 092507

Place: Jalandhar

Date: 29-05-2024



For and on behalf of the Board

Waj Sikka
Managing Director
DIN: 00665858

Gopika Sikka
Director & CFO
DIN: 00665904

Rajat Kathpalia
Company Secretary
Regd No :36236

SHARP CHUCKS & MACHINES LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

(Amount in Lakhs)

Particulars	Note	2023-24	2022-23
INCOME			
Revenue from operations (gross)	22	23,899.77	20,903.98
Less- GST		3,733.65	3,259.01
Revenue from operations (net)		20,166.12	17,644.97
Other income	23	35.58	61.89
Total Income		20,201.70	17,706.86
EXPENSES			
Manufacturing and operating expenses:	24		
Cost of material consumed		12,776.32	10,983.75
Stores, spares and tools consumed		1,867.46	2,004.74
Changes in inventories of finished goods and work-in-progress		(1,233.25)	(1,197.58)
Other manufacturing and operating expenses		2,018.95	1,657.47
Employee benefits expenses	25	1,419.64	1,306.17
Finance costs	26	954.80	853.46
Depreciation and amortization	27	651.20	568.64
Other expenses	28	894.45	807.04
Total Expenses		19,349.57	16,983.67
Profit/ (loss) before taxes		852.13	723.19
Tax Expenses			
Provision for current tax		151.00	126.00
Provision for deferred tax		89.97	123.76
Income Tax for earlier years		0.69	0.03
Profit/ (loss) after taxes		610.47	473.39
Earning per Equity Shares			
Basic (In Rs)		5.96	4.84
Diluted (In Rs)		5.96	4.84
SIGNIFICANT ACCOUNTING POLICIES	29		
OTHER NOTES FORMING PART OF THE ACCOUNTS	30		

The accompanying notes form an integral part of the financial statements

For and on behalf of the Board

As per our report attached

Sharp & Tannan

Chartered Accountants

Firm registration no: 000452N

By the hand of

Rajkumar

Rajkumar Khullar

Partner

Membership no:- 092507

Place: Jalandhar

Date: 29-05-2024



Ajay Sikka
Managing Director
DIN: 00665858

Gopika Sikka
Director & CFO
DIN: 00665904

Rajat Kathpalia
Company Secretary
Regd No :36236

SHARP CHUCKS AND MACHINES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31,2024

(Amount in Lakhs)

Particulars	2023-24	2022-23
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit/ (Loss) before tax	852.13	723.19
Adjustments for:		
Depreciation and amortization	651.20	568.64
Asset W/Off (ERP Software)	-	7.69
Exchange loss (gain)	(6.32)	(19.89)
Interest on fixed deposit with bank and security deposit	(18.96)	(10.30)
Interest paid	954.80	853.46
Loss/(Profit) on sale of Property, plant and equipment	-	(1.11)
Operating profit / (Loss) before working capital changes	2,432.86	2,121.67
Adjustment for:		
(Increase) / decrease in short term loans and advances	8.14	94.54
(Increase) / decrease in long term loans and advances	25.33	125.91
(Increase) / decrease in other non-current assets	(9.77)	(61.45)
(Increase) / decrease in trade receivables	(347.92)	469.03
(Increase) / decrease in inventories	(1,143.44)	(1,373.21)
(Increase) / decrease in other current assets	-	52.55
Increase / (decrease) in trade payables	915.18	12.26
Increase / (decrease) in other current liabilities	378.62	161.98
Increase / (decrease) in short term provisions	(86.19)	(40.67)
Increase / (decrease) in long term provisions	18.43	14.03
Cash generated from/ (used) in operating activities (A)	2,211.22	1,576.65
Direct tax paid	(65.00)	(60.00)
Net Cash generated from/ (used) in operating activities	2,146.22	1,516.65
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(936.49)	(1,915.73)
Sale of property, plant and equipment	-	7.60
Bank balances not considered as cash and cash equivalents - (placed)/matured	(51.37)	20.79
Interest received	18.96	10.30
Net cash flow from (used in) /from investing activities (B)	(968.90)	(1,877.04)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds (Repayment) from long term borrowings	(683.49)	(952.77)
Proceeds (Repayment) from short term borrowings	352.42	(270.48)
Proceeds (Repayment) of other long term liability	(190.40)	(11.90)
Proceeds from issue of Equity Shares	97.55	-
Proceeds from Share Premium (net of issue expenses)	201.23	-
Interest paid	(954.80)	(853.46)
Net cash flow from / (used in) from financing activities (C)	(1,177.48)	(2,088.61)
Net increase in cash and cash equivalents (A+B+C)	(0.16)	(2,449.00)
Cash and cash equivalents at beginning of the year	107.72	2,556.72
Cash and cash equivalents at end of the year	107.56	107.72
Net increase in cash and cash equivalents	(0.16)	(2,449.00)

Notes:

1. 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.

2. Purchase of Property, Plant and Equipment includes movement of capital work-in-progress

3. Cash and cash equivalents at end of the year 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: 29-05-2024



For and on behalf of the Board

Ajay Sikka
Managing Director
DIN: 00665858

Gopika Sikka
Director & CFO
DIN: 00665904

Rajat Kathpalia
Company Secretary
Redg No :36236

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

1. SHARE CAPITAL

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

Particulars	As at 31/03/2024		As at 31/03/2023	
	Number of shares	(Amount in Lakhs)	Number of shares	(Amount in Lakhs)
Authorised				
Equity shares of Rs. 10/- each	12,000,000	1,200.00	12,000,000	1,200.00
	<u>12,000,000</u>	<u>1,200.00</u>	<u>12,000,000</u>	<u>1,200.00</u>
Issued, Subscribed and Paid Up:				
Equity shares of Rs. 10/- each fully paid up	10,759,792	1,076	9,784,308	978.43
	<u>10,759,792</u>	<u>1,076</u>	<u>9,784,308</u>	<u>978.43</u>

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

Particulars	As at 31/03/2024		As at 31/03/2023	
	Number of shares	(Amount in Lakhs)	Number of shares	(Amount in Lakhs)
Issued, subscribed and fully paid up equity shares outstanding at beginning of the year	9,784,308	978.43	9,784,308	978.43
Shares issued through Initial Public Offer ('IPO')	975,484	97.55	-	-
Issued, subscribed and fully paid up equity shares outstanding at end of the year	<u>10,759,792</u>	<u>1,075.98</u>	<u>9,784,308</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. [Also, refer note 30(L) to the financial statements]

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

Name of the shareholder	As at 31/03/2024		As at 31/03/2023	
	Number of shares	Shareholding %	Number of shares	Shareholding %
EQUITY SHAREHOLDERS				
Sh. Ajay Sikka	4,933,740	45.85	4,933,740	50.43
Smt Suman Bala	568,685	5.29	568,685	5.81
Smt Gopika Sikka	1,784,620	16.59	1,784,620	18.24
SIDBI Trustee Company Limited A/c India Opportunities Fund	-	-	1,928,516	19.71

(e) Shareholding of Promoters

Name of the promoters	As at 31/03/2024		As at 31/03/2023	
	Number of shares	Shareholding %	Number of shares	Shareholding %
Sh. Ajay Sikka	4,933,740	45.85	4,933,740	50.43
Smt. Gopika Sikka	1,784,620	16.59	1,784,620	18.24



(2) RESERVE AND SURPLUS		
(Amount in Lakhs)		
Particulars	As at 31/03/2024	As at 31/03/2023
(a) SECURITY PREMIUM		
As per last Balance Sheet	742.86	742.86
Add: Premium arising on issue of equity shares through IPO	468.23	-
Less: Share issue expense on IPO	(267.00)	-
Closing Balance	<u>944.10</u>	<u>742.86</u>
(b) GENERAL RESERVE		
As per last Balance Sheet	223.00	203.00
Add: Additions during the year	20.00	20.00
Closing Balance	<u>243.00</u>	<u>223.00</u>
(c) CAPITAL SUBSIDY		
As per last Balance Sheet	19.42	19.42
Add: Additions during the year	-	-
Closing Balance	<u>19.42</u>	<u>19.42</u>
(d) PROFIT & LOSS ACCOUNT		
As per last Balance Sheet	3,247.84	2,794.45
Add: Profit for the year	610.46	473.39
Less: Transfer to General Reserve	(20.00)	(20.00)
Closing Balance	<u>3,838.30</u>	<u>3,247.84</u>
Total	<u>5,044.82</u>	<u>4,233.13</u>



(3). LONG TERM BORROWINGS		
	(Amount in Lakhs)	
Particulars	As at 31/03/2024	As at 31/03/2023
Secured		
-Term Loans from Banks	1,967.43	2,629.26
-Term Loan from Financial Institutions	1,024.20	1,045.86
	2,991.63	3,675.12
Unsecured		
-Term Loan from Financial Institutions	-	-
	2,991.63	3,675.12
Less : Current Maturities of long term borrowing		
-Term Loans from Banks	533.91	654.24
-Term Loan from Financial Institutions	429.73	257.16
Total	2,027.99	2,763.72

Current Maturities of long term borrowing as at 31-03-2024 represents amount payable within 12 months only.

A. Term Loans from Canara Bank (o/s :-1938.63 Lakhs as on 31-03-2024)

- i. Properties at A-12, Industrial Development Colony, Jalandhar and House no-148 Shakti Nagar Jalandhar owned by Mr. Ajay 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, Bye Pass, GT Road, Jalandhar owned by the Company.
- iii. Property at Hanbast no 325 Khewat Khatoni Village Sura, Jalandhar owned by the Company.
- iii. Land & Building situated at Kh No. 39//6,7,14,15,17,24 Village Dhogri Tehsil & Distt. Jalandhar owned by the Company.

B. Vehicle Loans from HDFC Bank and YES Bank (o/s :-28.80 Lakhs as on 31-03-2024)

Vehicle Loans secured against respective vehicles

C. Term Loans from Mahindra & Mahindra Financial Services Ltd (Financial Institutions) taken for purchase of Machines and General Purpose (o/s : 614.50 Lakhs as on 31-03-2024) :

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

D. Term Loans from Autotrac Finance Limited (Financial Institutions) taken for purchase of Machines (o/s : 409.70 Lakhs as on 31-03-2024) :-

Loan from Autotrac Finance Limited is secured against receivables from International Tractors Limited (ITL)

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

Particulars	(Amount in Lakhs)			
	O/S 31.03.2024	F.Y. 2024-25	F.Y. 2025-26	F.Y. 2026-27 onwards
-Term Loans from Banks	1,967.43	557.91	459.27	950.26
-Term Loan from Financial Institutions	1,024.20	406.68	439.64	177.89
Total	2,991.63	964.59	898.90	1,128.14



(4) DEFERRED TAX LIABILITY (NET)		
Particulars	(Amount in Lakhs)	
	As at 31/03/2024	As at 31/03/2023
Deferred tax liability	699.77	609.80
Total	699.77	609.80
(5) OTHER LONG TERM LIABILITIES		
Particulars	(Amount in Lakhs)	
	As at 31/03/2024	As at 31/03/2023
From Directors	75.92	216.32
From Promoters under stipulation of financial institutions	50.00	100.00
Total	125.92	316.32
The above loans loan from directors/ Promoters are interest free.		
(6) LONG TERM PROVISIONS		
Particulars	(Amount in Lakhs)	
	As at 31/03/2024	As at 31/03/2023
Provisions for employee benefits	106.28	87.84
Total	106.28	87.84
(7) SHORT TERM BORROWINGS		
Particulars	(Amount in Lakhs)	
	As at 31/03/2024	As at 31/03/2023
Secured		
Loans Repayable on Demand – working capital facilities		
From Banks:		
Cash Credit facility from Canara bank	4,197.68	3,319.30
Packing Credit facility from Canara bank		299.91
Kotak Mahindra Bank Limited (Bill Discount)	879.26	1,119.96
Kotak Mahindra Bank (PO Discounting and Bill Discounting)	300.00	300.00
From Financial Institutions:		
Unsecured		
From Banks	18.23	3.59
From Others		
Total	5,395.18	5,042.76
NOTE:		
Working capital facility from Canara Bank is secured against:-		
Primary security:		
Secured against hypothecation of stock, book debts and plant and machinery		
Collateral Security :		
i. Properties at A-12, Industrial Development Colony, Jalandhar and House no-148 Shakti Nagar Jalandhar owned by Mr. Ajay 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, Bye Pass, GI Road, Jalandhar owned by the Company		
iii. Property at Hanbast no 325 Khewat Khatoni Village Sura, Jalandhar owned by the Company.		
iii. Land & Building situated at Kh No. 39//6,7,14,15,17,24 Village Dhogri Tehsil & Distt. Jalandhar owned by the Company.		



(8) CURRENT MATURITY OF LONG TERM BORROWINGS		
Particulars	(Amount in Lakhs)	
	As at 31/03/2024	As at 31/03/2023
Current Maturities of long term borrowing:		
-Term Loans from Banks	533.91	654.24
-Term Loan from Financial Institutions	429.73	257.16
Total	<u>963.64</u>	<u>911.40</u>
(9) TRADE PAYABLES		
Particulars	(Amount in Lakhs)	
	As at 31/03/2024	As at 31/03/2023
Total outstanding dues of micro enterprises and small enterprises	408.39	162.23
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,807.78	2,138.74
Total	<u>3,216.17</u>	<u>2,300.98</u>
[Ref Note 30(S) to the financial statements for age wise details]		
(10) OTHER CURRENT LIABILITIES		
Particulars	(Amount in Lakhs)	
	As at 31/03/2024	As at 31/03/2023
Duties & taxes	297.17	235.45
Advance from parties	26.77	30.02
Expense payable	595.86	275.72
Total	<u>919.80</u>	<u>541.19</u>
(11) SHORT TERM PROVISIONS		
Particulars	(Amount in Lakhs)	
	As at 31/03/2024	As at 31/03/2023
Provision for income tax	151.00	126.00
Provision for CSR		10.49
Provisions for employee benefits (Current)	13.22	7.23
Total	<u>164.22</u>	<u>143.72</u>



Note no. 12

PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSETS

(Amount in Lakhs)

Particulars	Gross Block				Depreciation				Net Block	
	As at 01.04.2023	Additions	Deduction	As at 31.03.2024	As at 01.04.2023	For the year	Deduction	As at 31.03.2024	As at 31.03.2024	As at 31.03.2023
Property, plant and equipment										
Land	377.12	-	-	377.12	-	-	-	-	377.12	377.12
Building	715.07	-	-	715.07	178.57	22.56	-	201.13	513.94	536.51
Computer	43.43	3.02	-	46.45	38.14	2.71	-	40.85	5.60	5.29
Plant & Machinery	9,202.99	1,303.45	-	10,506.45	2,972.61	601.85	-	3,574.46	6,931.98	6,230.38
Furniture & office equipments	132.00	10.83	-	142.84	79.85	8.23	-	88.08	54.76	52.15
Vehicles	160.89	-	-	160.89	82.76	14.12	-	96.88	64.01	78.13
Air pollution control	31.05	-	-	31.05	15.94	1.73	-	17.67	13.39	15.11
Total-(i)	10,662.56	1,317.30	-	11,979.86	3,367.86	651.20	-	4,019.06	7,960.80	7,294.70
Intangible Assets										
Software	26.04	-	-	26.04	25.24	-	-	25.24	0.80	0.80
Total-(ii)	26.04	-	-	26.04	25.24	-	-	25.24	0.80	0.80
Capital work in progress										
Building under construction	1.04	8.19	-	9.23	-	-	-	-	9.23	1.04
Plant & Machinery under Installation	389.00	-	389.00	-	-	-	-	-	-	389.00
Total-(iii)	390.04	8.19	389.00	9.23	-	-	-	-	9.23	390.04
Intangible Assets under development										
Software under development	-	-	-	-	-	-	-	-	-	-
Total-(iv)	-	-	-	-	-	-	-	-	-	-
Total-(i) to (iv)	11,078.64	1,325.49	389.00	12,015.13	3,393.10	651.20	-	4,044.30	7,970.83	7,685.54
Previous Year	9,187.94	1,969.25	78.54	11,078.64	2,835.31	568.64	10.85	3,393.10	7,685.54	6,352.62

Refer note no 30 (P) to the financial statements



(13) LONG TERM LOANS & ADVANCES		
(Amount in Lakhs)		
Particulars	As at 31/03/2024	As at 31/03/2023
Capital advances	15.52	40.85
Total	<u><u>15.52</u></u>	<u><u>40.85</u></u>
(14) OTHER NON-CURRENT ASSETS		
(Amount in Lakhs)		
Particulars	As at 31/03/2024	As at 31/03/2023
Security deposits	337.73	327.95
Total	<u><u>337.73</u></u>	<u><u>327.95</u></u>
(15) INVENTORIES		
(Amount in Lakhs)		
Particulars	As at 31/03/2024	As at 31/03/2023
(Valued at cost or market value whichever is lower)		
Raw material	1,566.90	1,666.06
Finished goods	2,133.30	1,627.50
Semi finished goods	3,820.31	3,092.86
Consumable stores & packing stock	87.63	78.27
(Valued and certified by the management)		
Total	<u><u>7,608.13</u></u>	<u><u>6,464.69</u></u>
[Ref Note 30(O) to the financial statements]		
(16) TRADE RECEIVABLE		
(Amount in Lakhs)		
Particulars	As at 31/03/2024	As at 31/03/2023
Unsecured, considered good	3,264.30	2,910.06
Total	<u><u>3,264.30</u></u>	<u><u>2,910.06</u></u>
[Ref Note 30(T) to the financial statements 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 Lakhs)		
Particulars	As at 31/03/2024	As at 31/03/2023
Cash & Cash Equivalents		
Balance with banks	96.10	18.03
Cheques and drafts on hand	-	75.00
Cash on hand	11.46	14.69
Other bank balances		
Bank balances not available for immediate use	79.55	28.18
(Fixed deposits in the nature of security offered)		
Total	<u><u>187.11</u></u>	<u><u>135.90</u></u>



(18) SHORT TERM LOANS & ADVANCES		
(Amount in Lakhs)		
Particulars	As at 31/03/2024	As at 31/03/2023
(Unsecured and Considered Good)		
Other loans & advances recoverable in cash or kind	-	-
Balance with revenue authorities	-	-
Advances to parties	231.82	126.25
Advance tax	80.41	76.58
Income tax paid under protest	-	9.57
Others	43.92	151.89
Total	<u>356.15</u>	<u>364.29</u>
(19) OTHER CURRENT ASSETS		
(Amount in Lakhs)		
Particulars	As at 31/03/2024	As at 31/03/2023
Deferred revenue expenditure (to the extent not written off)	-	-
Accrued Income	-	-
Total	<u>-</u>	<u>-</u>
(20) CONTINGENT LIABILITIES		
(Amount in Lakhs)		
Particulars	As at 31/03/2024	As at 31/03/2023
Income tax liability that may arise in respect of which the Company is under appeal	-	47.82
Bank Guarantees	10.33	9.33
Letter of Credit	149.00	90.00
Total	<u>159.33</u>	<u>147.15</u>
(21) CAPITAL COMMITMENTS		
(Amount in Lakhs)		
Particulars	As at 31/03/2024	As at 31/03/2023
Estimated amount of contracts remaining to be executed on capital account (net of advances)	-	-
Total	<u>-</u>	<u>-</u>



(22) REVENUE FROM OPERATIONS		
(Amount in Lakhs)		
Particulars	2023-24	2022-23
Sale of Products	23,899.77	20,903.98
Sale of Services		
Total	<u>23,899.77</u>	<u>20,903.98</u>
(23) OTHER INCOME		
(Amount in Lakhs)		
Particulars	2023-24	2022-23
Exports incentives	9.79	17.55
Interest on fixed deposit with bank and security deposit	18.96	10.30
Exchange gain	6.32	19.89
ABRY EPF subsidy received	-	12.34
Miscellaneous income	0.51	1.81
Total	<u>35.58</u>	<u>61.89</u>
(24) MANUFACTURING AND OPERATING EXPENSES		
(Amount in Lakhs)		
Particulars	2023-24	2022-23
Material Consumed		
Opening Stock	1,666.06	1,498.94
Add: Purchases	12,677.16	11,150.88
Less: Closing Stock	(1,566.90)	(1,666.06)
Total	<u>12,776.32</u>	<u>10,983.75</u>
Purchases of stock in trade		
Stores, spares and tools consumed	1,867.46	2,004.74
Changes in inventories of finished goods, work in progress and stock in trade		
Opening stock		
Finished goods	1,627.50	1,568.02
Work in progress	3,092.86	1,954.76
Closing stock		
Finished goods	(2,133.30)	(1,627.50)
Work in progress	(3,820.31)	(3,092.86)
Total	<u>(1,233.25)</u>	<u>(1,197.58)</u>
Other manufacturing and operating expenses		
-Power & fuel	1,565.48	1,247.45
-Oil & lubricants	88.23	95.85
-Machinery repair & maintenance	90.46	61.11
-Freight, octroi and cartage	64.24	63.31
-Job work charges	210.53	189.75
Total	<u>2,018.95</u>	<u>1,657.47</u>



(25) EMPLOYEE BENEFITS EXPENSES		
(Amount in Lakhs)		
Particulars	2023-24	2022-23
Salaries, wages, bonus etc.	1,293.59	1,184.60
Contributions to provident, ESI & gratuity	94.96	90.42
Staff welfare expense	31.09	31.15
Total	1,419.64	1,306.17
(26) FINANCE COSTS		
(Amount in Lakhs)		
Particulars	2023-24	2022-23
Interest expenses	885.78	739.27
Bank charges & finance charges	69.02	114.18
Total	954.80	853.46
(27) DEPRECIATION AND AMORTIZATION EXPENSES		
(Amount in Lakhs)		
Particulars	2023-24	2022-23
Depreciation	651.20	568.64
Total	651.20	568.64
(28) OTHER EXPENSES		
(Amount in Lakhs)		
Particulars	2023-24	2022-23
Brokerage & commission	0.77	15.96
Packing expenses	32.12	51.36
Professional Charges	53.18	56.51
Freight & handling charges	167.52	174.68
Rates, Fees & taxes	1.27	1.77
Travelling expense	29.66	22.15
Insurance charges	7.24	7.13
Advertisement & sale promotion expenses	0.88	1.79
Repair & maintenance	60.14	67.80
Auditors remuneration	12.50	11.20
Lease rental on machinery	6.14	29.60
Charity & donation	0.18	0.60
Postage & telephone expenses	4.12	4.07
Printing & stationery	7.08	9.29
Rebate & discount	403.73	250.77
Other Misc expenses	95.42	91.86
Corporate Social Responsibility Expenses	12.50	10.49
Total	894.45	807.04



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Note: - 29

Significant accounting policies

A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Company maintains its accounts on accrual basis following the historical cost convention in accordance with generally accepted accounting principles ["GAAP"] in compliance with the provisions of the Companies Act, 2013 and the Accounting Standards as specified in the Companies (Accounting Standards) Rules, 2006 read with Rule 7(1) of the Companies (Accounts) Rules, 2014 issued by the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013.

B. USE OF ESTIMATES

The preparation of financial statements in conformity with Indian GAAP requires judgments, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known /materialized.

C. PRESENTATION OF FINANCIAL STATEMENTS

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The Cash Flow Statement has been prepared and presented as per the requirements of Accounting Standard (AS) 3 "Cash Flow Statements". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards.

D. INVENTORIES

The inventories are measured at lower of cost or net realizable value after providing for obsolescence, if any, Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition.

E. REVENUE RECOGNITION

- (a) Revenue/Income and Cost/Expenditure are generally accounted for on accrual as they are earned or incurred, except in case of significant uncertainties.
- (b) Export incentives under various scheme promoted by Government of India are recognized on the basis of export affected during the accounting year.
- (c) Sale of goods is recognized on transfer of significant risks and rewards of ownership which is generally on the dispatch of goods. Exports sales if any accounted for on the basis of the dates of 'On board Bill of lading.'
- (d) Dividend income is recognized when the right to receive payment is established.
- (e) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.



F. PROPERTY, PLANT AND EQUIPMENT (PPE)

Property, Plant and Equipment are stated at cost less accumulated depreciation. Cost of Property, Plant and Equipment comprises purchase price (net of duties, rebates and discounts), non refundable duties, taxes or levies and any directly attributable cost of bringing the assets to its working condition for its intended use.

G. INTANGIBLE ASSETS

- a) Intangible assets comprise computer software and is stated at cost less accumulated amortization and accumulated impairment, if any.
- b) Costs of intangible assets under development as at the reporting date are disclosed as intangible assets under development.

H. DEPRECIATION AND AMORTISATION

Depreciation and amortization is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

I. FOREIGN CURRENCY TRANSACTIONS

- (a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- (b) Monetary items denominated in foreign currencies at the year end are restated at year end rates.
- (c) Non-monetary foreign currency items are carried at cost.
- (d) Any resulting loss /gain is charged / taken to the Profit & Loss Account.

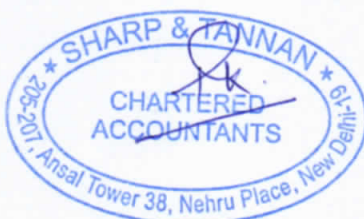
J. INVESTMENTS

Current investments are carried at lower of cost or fair value, computed category-wise. Non-Current investments are stated at cost. Provision for diminution in the value of Non-Current investments is made only if such a decline is other than temporary.

K. EMPLOYEE BENEFITS

- (a) Short term employee benefits:

All employee benefits falling due within twelve months of rendering the service are classified as short-term employee benefits, which include benefits like salaries, short term compensated absences, expected cost of performance incentives, ex-gratia etc. are recognized as expense in the period in which the employee renders the related service.



(b) Long term employee benefits:

Long term employee benefits including compensated absences that are not expected to occur within twelve months after the end of the period in which the employee renders related services are recognized as a liability at the present value of the defined benefit obligation based on actuarial valuation (under projected unit credit method) carried out at the Balance Sheet date.

(c) Post Employment Benefits:

i. Defined-contribution plans:

The Company has defined contribution plans (where Company pays pre-defined amounts and does not have any legal or informal obligation to pay additional sums) for post employment benefits (viz. Provident Fund), the Company's contributions thereto are charged to Profit and Loss Account every year.

ii. Defined-benefit plan:

The Company has a defined benefit plan (viz., Gratuity) for employees, the liability for which is determined on the basis of valuation carried out by an independent actuary (under projected unit credit method) at the Balance Sheet date.

iii. Actuarial gains and losses in respect of post-employment and other long term benefits are charged to the Profit and Loss Statement.

L. BORROWING COSTS

Borrowing costs include interest, commitment charges, amortization of ancillary costs, amortization of discounts/premium related to borrowings, finance charges in respect of assets acquired on finance lease and exchange differences arising from foreign currency borrowings, to the extent they are regarded as an adjustment to interest costs.

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognized as an expense in the period in which they are incurred.

M. SEGMENT ACCOUNTING

Segment accounting policies are in line with the accounting policies of the company. In addition, the following specific accounting policies have been followed for segment reporting:

- i. Segment revenue includes sales and other income directly identifiable with/allocable to the segment.
- ii. Expenses that are directly identifiable with/allocable to segments are considered for determining the segment results. Expenditure, which relate to the company as a whole and not allocable to segments are included under "un-allocable corporate expenditure".
- iii. Income, which relates to the Company as a whole and not allocable to is included in "un-allocable corporate income".
- iv. Segment assets and liabilities include those directly identifiable with the respective segments.



N. LEASES

- i. Assets acquired on lease where significant portion of risks and rewards of ownership are transferred to the lessee are classified as finance leases. Such assets are capitalized at the inception of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount.
- ii. Assets acquired on lease where significant portion of risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to Statement of Profit and Loss on accrual basis.

O. INCOME TAXES

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961 and based on expected outcome of assessments.

Deferred tax is recognized on timing differences between the accounting income and the taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date.

Deferred tax assets relating to unabsorbed depreciation/business losses, losses under the head capital gains are recognized and carried forward to the extent that there is virtual certainty that sufficient further taxable income will be available against which such deferred tax assets can be realized.

Other deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

P. IMPAIRMENT

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Statement in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

Q. DEFERRED REVENUE EXPENDITURE

Deferred revenue expenditure is amortized over the period of five years.

R. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provision is recognized in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognized nor disclosed in the financial statements.



NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024

Note: - 30

Other notes forming part of accounts

- A. Sharp Chucks and Machines Limited ("the Company") is a company incorporated and domiciled in India under the Indian Companies Act, 1956. Its registered office is A -12, Industrial Development Colony, Jalandhar-12 (Punjab). The Company had been converted from Private Limited Company to a Public Limited Company, The name of the Company has been changed pursuant to a fresh certificate of incorporation issued by Registrar of Companies on December 20, 2022. The Company's equity shares were listed on the National Stock Exchange ("NSE") on October 12, 2023.

The Company is engaged in manufacturing of Hand Tools & Machine Tools along with 'Fully Finished Forged and Graded Casting Parts & Assemblies being supplied to Major OEMs in Tractor and Automobile Industries in India.

- B. **Disclosure pursuant to Accounting Standard (AS) 15 (Revised) "Employee benefits"**

Defined contribution plans:

During the year, the Company has contributed Rs. 50.59 Lakhs (Previous Year Rs. 51.45 Lakhs) towards recognized provident fund.

Defined benefit plans:

- a) The amounts recognized in the Balance Sheet in respect of Gratuity Fund are as follows—

(Rupees in Lakhs)

	As at 31.03.2024	As at 31.03.2023
Present value of unfunded obligations at the beginning of the period	95.08	79.17
Amount to be recognized as liability at the end of the period	119.50	95.08
Amount reflecting in the Balance Sheet as Current Liability	13.22	7.23
Amount reflecting in the Balance Sheet as Non-current Liability	106.28	87.84

- b) The amounts recognized in the Statement of Profit and Loss for gratuity liability are as follows: -

(Rupees in Lakhs)

	2023-24	2022-23
Current Service Cost	32.62	30.09
Interest Cost	7.13	5.74

Net Actuarial Losses/(Gains) recognized in the year	(7.93)	(9.94)
Expenses recognized in the statement of profit & loss	31.81	25.89

- c) The changes in the present value of defined benefit obligations (relating to gratuity liability) representing reconciliation of opening and closing balances thereof are as follows: -

(Rupees in Lakhs)

	As at 31.03.2024	As at 31.03.2023
Opening balance of the present value of defined benefit obligations	94.08	79.17
Add:-Current Service Cost	32.62	30.09
Add:- Interest Cost	7.13	5.74
Add:- Actuarial Losses/(Gains)	(7.93)	(9.94)
Less:-Benefit Paid	(7.39)	(9.99)
Closing balance of the present value of defined benefit obligations	119.50	95.08

- d) Principal actuarial assumptions as at the Balance Sheet date:

	As at 31.03.2024	As at 31.03.2023
Discount Rate (p.a)	7.25 % per annum	7.50 % per annum
Salary Escalation rate (p.a)	5.00% per annum	5.00% per annum
Withdrawal Rate	10.00% per annum	5.00% per annum

- 1) Discount rate- Discount Rate has been determined by reference to market yields on the balance sheet date on Government bonds.
- 2) Salary escalation rate- The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.
- 3) Retirement age-The employees of the Company are assumed to retire at the age of 60 years.
- 4) Mortality- As per published rates under the Indian Assured Lives Mortality (2012-14) Ultimate Table.

- C. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.



- D. The Company has amounts due to suppliers covered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as at March 31, 2024. The disclosures pursuant to the said Act is as under:

(Rupees in Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Principle amount due to supplier registered under the MSMED Act and remaining unpaid as at the year end	408.39	162.23
Interest due to suppliers registered under the MSMED Act on the above and remaining unpaid as at the year end	-	-
Principle amount paid to suppliers registered under the MSMED Act, beyond appointed day during the year	-	-
Interest paid other than Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond appointed day during the year	-	-
Interest due and payable to suppliers under the MSMED Act, beyond appointed date during the year	-	-
Interest due and payable to suppliers registered under the MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

The details with respect to amount due to micro and small enterprises have been determined to the extent such parties have been identified, based on information available with the Company. The Company has worked out interest liability amounting to Rs. 10.15 Lakhs on account of delay in payment to suppliers. The above interest liability will be accounted for in the books on cash basis.

E. Disclosures pursuant to AS- 17 "Segment Reporting"

I. Primary Segment

The Primary segment reporting of the Company has been determined to be the business segments. The Company has only one business segment which is manufacture and sale of customized Casting, Machine Tools and Forging items. The amounts appearing in these financial statements relate to this primary business segment and therefore no separate business segment disclosure is required.

II. Secondary Segment

The Company has identified its geographic segments as (1) India and (2) Outside India. The details in respect of the geographical segments are given below:



(Rupees in Lakhs)

	India		Outside India		Total	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Secondary Segments						
Segment Revenue (Net)	19,607.98	16,904.99	558.14	739.98	20,166.12	17,644.97

The Company's assets are entirely located in India.

F. As required by AS-18, "Related Party Disclosures", are given below:

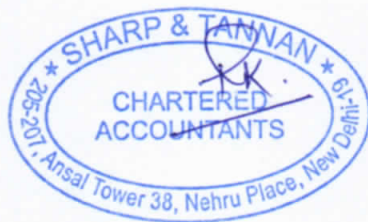
I. Relationships:

Key Management Personnel	Shri. Ajay Sikka (Managing Director) Smt. Gopika Sikka (Director & CFO)
Others (Related Parties)	Shri Ajay Sikka (HUF) Smt. Suman Bala

II. Transactions with related parties during the year:-

(Rupees in Lakhs)

Particulars	Directors		Others/Promoters	
	2023-24	2022-23	2023-24	2022-23
Remuneration	49.50	27.00	-	-
Travelling	28.66	20.90	-	-
Unsecured Loan obtained	-	-	-	-
Unsecured Loan repaid	140.40	11.90	50.00	-



III. Outstanding Balances as at March 31,2024:-

(Rupees in Lakhs)

Particulars	Directors		Others/Promoters	
	2023-24	2022-23	2023-24	2022-23
Loan/Advance payables	53.32	193.72	72.60	122.60

G. Disclosure pursuant to AS- 19 "Leases"

- a) The Company has not taken any assets on financial lease;
- b) The Company has taken machines under cancellable operating leases. The lease agreements are normally renewed on expiry. Lease rent charged to statement of profit and loss account for the year is Rs 6.14 Lakhs (Year 2022-23 – Rs. 29.60 Lakhs).

H. Earnings per share

Basic earnings per share have been computed by dividing the net profit after tax by the weighted number of equity shares outstanding for the year.

Particulars	2023-24	2022-23
Net Profit after tax (In Lakhs) – A	610.47	473.39
Number of weighted average equity shares (No's) – B	102,42,732	97,84,308
Basic Earnings per share (A/B)	5.96	4.84

I. Major components of Deferred tax (Assets) /Liabilities

(Rupees in Lakhs)

Particulars	Deferred Tax As on 01.04.2023	Current Year Deferred Tax	Deferred Tax As on 31.03.2024
Deferred Tax Assets			
Provision for Gratuity	26.58	6.79	33.37
Sub Total-(i)	26.58	6.79	33.37
Deferred Tax Liability			
Difference between Book / Tax Depreciation	636.37	96.77	733.14
Sub Total-(ii)	636.37	96.77	733.14
Deferred Tax Assets/(Liabilities) (i-ii)	(609.80)	(89.97)	(699.77)



J. Detail of Sales and raw material consumption: -

A) Sales (Net) :

Class of Goods	2023-24 (Rupees in Lakhs)	2022-23 (Rupees in Lakhs)
Export Sale	558.14	739.99
Domestic Sale	19,607.98	16,904.98

B) Raw Material Consumed:

Particulars	2023-24 (Rupees in Lakhs)	%	2022-23 (Rupees in Lakhs)	%
Indigenous	12,776.31	100	10,983.75	100
Imported material	-	-	-	-
	12,776.31	100	10,983.75	100

K. Foreign exchange Earnings, Expenditure and Exposure: -

Earning in foreign currency: -

Particulars	2023-24 (Rupees in Lakhs)	2022-23 (Rupees in Lakhs)
Export of Goods (FOB Value)	558.14	739.99

Expenditure in foreign currency: -

Particulars	2023-24 (Rupees in Lakhs)	2022-23 (Rupees in Lakhs)
Travelling	6.24	-



Foreign currency – Exposure:

The foreign currency outstanding balances have that not been hedged by any derivative instrument or otherwise as at March 31, 2024. The details of assets and liabilities denominated in foreign currency as at the reporting date is given as under:

Details (Foreign Currency Denomination)	As at March 31, 2024		As at March 31, 2023	
	Foreign Currency Amount	Amount (Rupees in Lakhs)	Foreign Currency Amount	Amount (Rupees in Lakhs)
Assets				
USD	639503.00	533.17	456237.60	374.94
EURO	41871.00	37.77	50533.79	45.13
Liabilities				
USD	-	-	-	-
EURO	-	-	-	-

The Company has no derivatives outstanding at the balance sheet date.

L. Completion of Initial Public Offer (IPO) and Utilization of IPO Proceeds

During the year, the Company came up with an INITIAL PUBLIC ISSUE (IPO) of equity size of 2,904,000 Equity Shares, each having a Face Value of Rs 10 and a Premium of Rs 48 per Equity Share at a collective price of Rs.58 per equity share. This IPO included an Offer for Sale (OFS) of 1,928,516 Equity Shares held by SIDBI Trustee Company Limited A/c India Opportunities Fund and included a fresh issue of 975,484 Equity Shares, each with a Face Value of Rs 10 and a Premium of Rs 48 per Equity Share at a collective price of Rs.58 per equity share. The issue was fully subscribed, and the Company's Shares were listed on the SME EMERGE Platform of National Stock Exchange of India ('NSE EMERGE') on October 12, 2023.

The total IPO expenses incurred of Rs. 267 Lakhs (excluding taxes) has been adjusted against securities premium. The utilization of the IPO proceeds is summarized below:

Particulars	Utilization of net proceeds as per prospectus (in Lakhs)	Utilization up to March 31, 2024 (in Lakhs)	Unutilized up to March 31, 2024(in Lakhs)
Meeting incremental working capital requirements	267.00	267.00	-
General Corporate Purposes	38.78	37.53	1.25
Share Issue Expenses	260.00	260.00	
	565.78	564.53	1.25 (*)

Unutilized IPO proceeds of Rs. 1.25 Lakhs are available Escrow Account with ICICI Bank pending utilization for the intended purposes.



M. Auditors' Remuneration (excluding applicable tax) charged to accounts: -

Particulars	2023-24 (Rupees in Lakhs)	2022-23 (Rupees in Lakhs)
Statutory Audit and Limited Review	9.50	6.70
Tax Audit	1.50	1.00
Other Services (including ICFR Audit)	1.50	3.50
Total	12.50	11.20

- N. As per Goods and Services Tax Act., where a recipient fails to pay to the supplier of goods or services or both, the amount towards the value of supply along with tax payable thereon within a period of 180 Days from the date of issue of invoice by the supplier, an amount equal to the input tax credit availed by the recipient is added to his output tax liability, along with interest thereon. During the year, the Company had delayed in making payment against outstanding of suppliers of goods and services.

This has resulted in an interest liability amounting to Rs. 7.71 Lakhs for the current year. Additionally, an interest liability amounting to Rs. 48.66 Lakhs, pertaining to FY 2019-20, FY 2020-21, FY 2021-22, and FY 2022-23, is still pending for deposition. This liability shall be accounted for in the books on a cash basis.

- O. The Company's financial statements include inventories having value of Rs. 7608.13 Lakhs, which is a significant component of the assets. At present, the Company does not have any methodology to track over the stage wise inventory forming part of the work-in-progress.

Valuation of inventories has been carried out by the Independent Cost Accountant. Basis adopted to arrive the value of the various items is not provided to us for verification. Management is taking steps to address these limitations and enhance the accuracy and reliability of inventory-related data in future reporting periods.

- P. The Company has carried out physical verification of fixed assets during the year. The Company is in the process to upgrade its current methodology to reconcile physically verified assets with the fixed assets registers maintained and the Management is taking necessary steps to update its records and reconcile it

Q. CWIP ageing schedule:

CWIP	Amount in CWIP for a period of				Total (Rs. in Lakhs)
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	
Building under construction	8.19	1.03	-	-	9.22



R. Intangible assets under development ageing schedule:

Intangible assets under development	Amount in Intangible assets under development for a period of				Total (Rs. in Lakhs)
	Less than 1 year	1-2 years	2-3 years	More than 3 Years	
Software under development	-	-	-	-	-

S. Trade payable ageing for the year ended March 31, 2024 and March 31, 2023:

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 Years	Total (Rs. in Lakhs)
March 31, 2024					
(I) Total outstanding dues of micro enterprises and small enterprises (MSME)	355.32	43.19	5.43	4.45	408.39
(II) Total outstanding dues of creditors other than micro enterprises and small enterprises	2595.82	155.63	20.33	36.00	2807.78
Total	2951.14	198.82	25.76	40.45	3216.17

Particulars	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total (Rs. in Lakhs)
March 31, 2023					
(I) Total outstanding dues of micro enterprises and small enterprises (MSME)	125.09	30.12	7.02	-	162.23
(II) Total outstanding dues of creditors other than micro enterprises and small enterprises	2,032.35	49.70	41.07	15.62	2,138.74
Total	2,157.44	79.83	48.09	15.62	2,300.97

There is no disputed outstanding towards MSME or other vendors as on March 31, 2024 & March 31, 2023.



T. Trade receivable ageing for the year ended March 31, 2024 and March 31,2023:

Particulars	Less than 6 months	6 Months-1year	1-2 years	2-3 years	More than 3 years	Total (Rs. in Lakhs)
March 31,2024						
Undisputed Trade Receivables –considered good	2,952.09	22.49	261.27	13.55	14.90	3,264.30
Less: Provision for Doubtful debts						
Total	2,952.09	22.49	261.27	13.55	14.90	3,264.30

In the opinion of the management, no provision is required to be made on such receivables from the customers.

Particulars	Less than 6 months	6 Months-1year	1-2 years	2-3 years	More than 3 years	Total (Rs. in Lakhs)
March 31,2023						
Undisputed Trade Receivables – considered good	2,804.75	70.91	16.57	2.64	15.20	2,910.06
Less: Provision for Doubtful debts						
Total	2,804.75	70.91	16.57	2.64	15.20	2,910.06

In the opinion of the management, no provision is required to be made on such receivables from the customers.

There is no outstanding in Undisputed Trade Receivables–considered doubtful, Disputed Trade Receivables considered good & Disputed Trade Receivables considered doubtful categories as on March 31,2024 & March 31,2023.



U. CSR Disclosure

Expenditure on Corporate Social Responsibility expenses (CSR):

Particulars	2023-24 (in Lakhs)	2022-23 (in Lakhs)
Gross amount required to be spent by the Company during the year	12.50	10.49
Amount of expenditure incurred (including last year shortfall)	23.01	Nil
Shortfall at the end of the year	Nil	10.49
Total of previous years shortfall	Nil	Nil
Reason for shortfall	Not Applicable	The Company did not get suitable projects for funding.
Nature of CSR activities		Not Applicable
1. Contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga	2.51	
2. Contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation	4.00	
3. Contribution to the Prime Minister's National Relief Fund for social economic benefits	4.00	
4. Contribution for the project established for Sustainability / Environmental Quality & Health by following Nationwide Tree Plantation Campaign, implementing Green Policies etc.	12.50	
Total (Including last year un-spent amount)	23.01	
Details of related party transactions	Nil	Nil
Movements in the provision during the year where provision is made with respect to a liability incurred by entering into a contractual obligation	Nil	Nil

V. Accounting Ratio: The following are analytical ratios for the year ended March 31,2024 and March 31,2023:

S.No.	Ratio	Numerator	Denominator	31-Mar-24	31-Mar-23	% change
1	Current ratio	Current Assets	Current Liabilities	1.18	1.23	-4.27%



2	Debt- Equity Ratio	Total Debt	Shareholder's Equity	1.37	1.67	-18.09%
3	Return on Equity Ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	0.11	0.10	8.06%
4	Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	6.53	5.63	16.03%
5	Trade Payable Turnover Ratio	Purchase of goods & Services	Average Trade Payables	4.60	4.86	-5.44%
6	Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	26.65	18.87	41.21% (*Note)
7	Net Profit Ratio	Net Profit after tax	Net sales = Total sales - sales return	3.03%	2.68%	12.83%
8	Inventory Turnover Ratio	Cost of goods sold	Average Inventory	2.19	2.33	-5.89%
9	Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.12	0.11	9.57%

*Note: Increase is due to increase in sales and decrease in working capital

W. **Other statutory information**

- (1) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (2) The Company do not have any transactions with companies struck off.
- (3) The Company do not have any charges or satisfaction which is yet to be registered with the Registrar of Companies ("ROC") beyond the statutory period.
- (4) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.



- (5) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding 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.
- (6) The Company have not received any fund from any person(s) or entity(ies), 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.
- (7) The Company have not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the period 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).
- X. Balances under Sundry Debtors, Loans and Advances and Creditors are subject to confirmation. The impact of reconciliation, if any, will be given in the year of reconciliation.
- Y. In the opinion of Board of Directors, Current Assets have a value on realization at least equal to the amount at which they are stated in Balance Sheet.
- Z. The corresponding previous year figures have been regrouped where necessary to confirm to the presentation of the current year's accounts.

The accompanying notes form an integral part of the financial statements.

For and on behalf of the Board

As per our report attached

Sharp & Tannan
Chartered Accountants
ICAI registration no.: 000452N
By the hand of

Rajkumar

Rajkumar Khullar
Partner
Membership No: 092507

Ajay Sikka
Ajay Sikka
Managing Director
DIN: 00665858

Gopika Sikka
Gopika Sikka
Director & CFO
DIN: 00665904

Rajat Kathpal
Rajat Kathpal
Company Secretary
Redg No: 36236

Place: Jalandhar
Date: 29-05-2024



FORM - MR-3

Secretarial Audit Report

For the Financial year ending 31.03.2024.

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members,
SHARP CHUCKS AND MACHINES LIMITED
A-12 Industrial Development Colony,
Jalandhar, Punjab - 144012.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SHARP CHUCKS AND MACHINES LIMITED** CIN: L27106PB1994PLC014701 # A-12 Industrial Development Colony, Jalandhar, Punjab - 144012, (hereinafter called the Company) which was listed on NSE Emerge on 12.10.2023.

During the year, the company came up with the Initial Public Issue (IPO) of equity size of 2,904,000 Equity Shares, each having a Face Value of Rs. 10 and a Premium of Rs. 48 per Equity Shares at collective prize of Rs. 58 per Equity Share. This IPO included an offer for sale (OFS) of 1,928,516 Equity Shares held by SIDBI Trustee Company Limited A/c India Opportunities Fund and included a fresh issue of 975,484 Equity Shares, each with a face value of Rs. 10 and a Premium of Rs. 48 per Equity Shares at a collective price of Rs. 58 per equity share. The issue was fully subscribed, and the Companies' Shares were listed on SME EMERGE Platform of National Stock Exchange of India (NSE EMERGE) on 12 October 2023.

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. Based on our verification of the 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 ended on 31.03.2024**, 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 their records maintained by ("The Company") for the period ended on 31.03.2024 according to the provisions of:

- i) The Companies Act, 2013 (**the Act**) and the Rules made thereunder except exclusive to be reported by the Statutory Auditors under Independent Auditors Report, CARO and various disclosures;
- ii) 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;
- iii) The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made thereunder;
- iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
- 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 Employees Stock Purchase Scheme) Regulations, 2021- **Not Applicable as the Company has not issued any ESOPs during the reporting period.**
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2021
 - 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- **Not Applicable during the period under review.**
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - **Not Applicable during the period under review.**
- vi) As informed to us, the other laws specifically applicable to the Company have been complied with. In this regard, we have relied on the information/records produced by the Company during the course of Audit on test check and randomly basis and limited to that extent only to the Corporate Tax and Deposit of Provident Fund.

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Company has complied with the requirements under the Equity Listing Agreements entered into with NSE Emerge.

During the period under review and as per the explanations and clarifications given to us and the Representation made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines mentioned above.

We further report that the Company has, in our opinion, complied with the provisions of the Companies Act, 2013 and the Rules, Regulations, Guidelines, Standards etc mentioned above with regard to:

- a) Maintenance of various statutory registers and documents and making necessary entries therein;
- b) Forms, returns, documents and resolutions required to be filed with the Registrar of Companies.
- c) The Annual General Meeting was duly held including the provisions related to extension of time;
- d) Minutes of proceedings of General Meetings and of the Board and its Committee meetings;
- e) Payment of remuneration to Directors including the Managing Director and Whole-time Directors,
- f) Appointment and remuneration of Auditors;

We further report that:

- a. 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.
- b. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at reasonable gap 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.
- c. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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 subject to the following:*

1. *The Company has not filed its Half yearly results for the half year ended 30.09.2023 with Stock Exchange under LODR regulation 33, within time, for which NSE has issued notice of non-compliance vide Notice No. NSE/LIST-SOP/COMB/FINES/1309 DATED 14.12.2023. However the same were filed on 18.12.2023 with the delay of 34 days and the said notice was duly replied on 20.12.2023 after compliance.*
2. *The Company has duly paid the fine of Rs. 1,78,200/- to NSE of India Limited vide invoice N/DN/24-25/1506.*

For Anuj Bansal & Associates
Practicing Company Secretaries

Anuj Rai Bansal
B.Com, FCS, LLB
M. No. 5166. C.P. No. 3667

Place: Jalandhar.

Note: This report is to be read with our annexure of even date which is annexed as Annexure A and Forms an integral part of this report.

Annexure A'

(Forming Integral Part of Secretarial Audit Report for the financial year ending 31.3.2024)

Our Secretarial Audit Report of even date is to be read along with this Annexure.

1. Maintenance of secretarial record is the responsibility of the management of company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process 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 process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of accounts of the Company.
4. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc. which forms the integral part to express our opinion in Form MR-3.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis as the Secretarial Auditors.
6. 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.