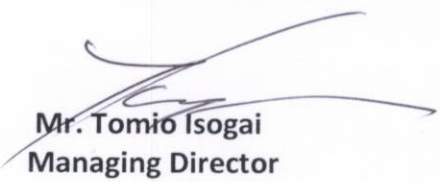


FORM A
(Pursuant to clause 31 of the listing agreement)

1.	Name of the Company	Sharp India Limited
2.	Annual Financial Statements for the year ended	31 st March 2015
3.	Type of Audit observation	Un-qualified
4.	Frequency of Observation	Not Applicable

For Sharp India Limited


Mr. Tomio Isogai
Managing Director


For S R B C Co. LLP, Statutory Auditors
Firm Registration No. 324982E
Chartered Accountants


Mr. Paul Alvarez, Partner



Rubber Stamp/ Seal of the Auditor's Firm

For Sharp India Limited


Mr. M. Nakagawasai
Executive Director & CFO

For Sharp India Limited


Ms. Bhumika Batra
Chairman of Audit Committee

Rubber Stamp/ Seal of the Company



***30th Annual Report
2014-2015***

SHARP

SHARP INDIA LIMITED

BOARD OF DIRECTORS

TOMIO ISOGAI
[Managing Director]

KAZUNORI AJIKAWA
[Non Executive Director]

PRASHANT ASHER
(Independent Director)

BHUMIKA BATRA
(Independent Director)

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BANKERS

BANK OF INDIA
THE BANK OF TOKYO-MITSUBISHI UFJ LTD.
THE MIZUHO CORPORATE BANK LTD.
CITIBANK N.A.

SOLICITORS & ADVOCATES

CRAWFORD BAYLEY & CO., MUMBAI.

AUDITORS

S R B C & CO, LLP
CHARTERED ACCOUNTANTS

REGISTERED OFFICE & FACTORY

Gat No.686/4, Koregaon Bhima,
Tal. Shirur, Dist. Pune 412 216

Phone No. (02137) - 252417

REGISTRARS & TRANSFER AGENTS

Link Intime India Private Limited
Flat No. 202, 2nd Floor,
Akshay Complex,
Off.Dhole Patil Road,
Near Ganesh Mandir,
Pune 411 001
Phone No .(020) - 26161629

SHARP INDIA LIMITED

Registered Office :

Gat No. 686/4, Koregaon Bhima, Tal. Shirur, Dist. Pune - 412 216

Ph No .02137-252417 Fax No.02137 -252453

Website : www.sharpindialimited.com

CIN:L36759MH1985PLC036759

NOTICE

Notice is hereby given that the 30th Annual General Meeting of the members of Sharp India Limited will be held at the Registered Office of the Company situated at Gat No. 686/4, Koregaon Bhima, Taluka Shirur, District Pune 412 216 on Wednesday, 30th September 2015 at 11:00 a.m. (I.S.T.) 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 on 31st March 2015 and the Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Mr. Tomio Isogai (DIN No. 03426524) who retires by rotation and being eligible, offers himself for re-appointment.

3. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 139,142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time and pursuant to the resolution passed by the Members at their 29th Annual General Meeting held on September 22, 2014, the appointment of M/s. S R B C & Co. LLP, Chartered Accountants (Firm's Registration No. 324982E), as Statutory Auditors of the Company has been made to hold the office till the conclusion of the 32nd Annual General Meeting of the Company, be and is hereby ratified for the financial year 2015-2016 at such remuneration as shall be fixed by the Board of Directors of the Company.

SPECIAL BUSINESS :

4. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Rules made there under, Mr. Prashant Asher (DIN No. 00274409), who was appointed as an Additional Director of the Company w.e.f. 11th November 2014 and who holds office up to the date of this Annual General Meeting but who is eligible for appointment and in respect of whom the company has received a notice in writing under section 160 of the Companies Act., 2013 from a member proposing his candidature for the office of a Director be and is hereby appointed as an Independent Director of the Company for 5 (five) consecutive years with effect from 11th November 2014 up to 10th November 2019."

5. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Rules made there under, Ms. Bhumika Batra (DIN No.03502004), who was appointed as an Additional Director of the Company w.e.f. 11th November 2014 and who holds office up to the date of this Annual General Meeting but who is eligible for appointment and in respect of whom the company has received a notice in writing under section 160 of the Companies Act., 2013 from a member proposing her candidature for the office of a Director be and is hereby appointed as an Independent Director of the Company for 5 (five) consecutive years with effect from 11th November 2014 up to 10th November 2019."

6. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT Mr. Kazunori Ajikawa (DIN: 01637592) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 14th August 2015 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 ("Act") and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation."

7. To consider and, if thought fit, to pass, with or without modifications, the following resolution as a **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of section 196, 197, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to such other approvals as may be required read with articles 173, 175 and 176 of the Articles of Association of the Company, Mr. Masahiko Nakagawasai who was re-appointed as an Executive Director of the Company by the Board of Directors for a period of three years with effect from 28th May 2015 and who has resigned as an Executive Director as well as a Director of the Company with effect from 14th August 2015, the consent of the members of the Company is hereby given to the re- appointment of Mr. Masahiko Nakagawasai (DIN No. 05274985) as an Executive Director of the Company for a period from 28th May 2015 up to 14th August 2015 on the following terms of remuneration.

1. Salary of Rs.1,10,000 / - (Rupees One Lacs Ten Thousand Only) per month.
2. Rent free furnished residential accommodation together with necessities including gas, electricity, water, etc.
3. Reimbursement of medical expenses incurred in India for self and his family (spouse and children) if they reside in India.
4. Rental for the telephone facility at residence to be used for the business of the Company.
5. The Company will provide car and the company will bear the cost of fuel, maintenance ,road tax and insurance. The company will reimburse the expenses incurred on account of salary of the driver.
6. The Company will bear the actual expenses incurred for shifting his household goods to Japan on return from India to Japan on the expiry of his term.
7. Employers' Contribution to the Provident Fund as per the prevailing law.

The above perquisites granted to the Executive Director shall be evaluated on actual basis, Provided that the overall monthly remuneration payable to the Executive Director during his tenure shall not exceed the limits laid down in schedule - V of the Companies Act, 2013.

FURTHER RESOLVED THAT subject to Schedule - V of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 , the salary, perquisites, benefits and amenities as set out above be paid or granted to Mr. Masahiko Nakagawasai as the minimum remuneration during the term of Mr. Masahiko Nakagawasai's tenure as an Executive Director, notwithstanding that in any of the financial years, the company has made no profits or the profits made are inadequate.

8. To consider and, if thought fit, to pass, with or without modifications, the following resolution an **ORDINARY RESOLUTION :**

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the Company be and is hereby accorded for payment of remuneration of Rs. 1,50,000/- (Rs. One Lakhs Fifty Thousand only) plus out of pocket expenses etc. for the financial year ending on March 31, 2016 to M/s. C.S.Adawadkar & Co., Practicing Cost Accountants, (Firm Registration No.100401) who are appointed as the Cost Auditors of the Company by the Board of Directors to conduct the audit of the cost records of the Company for the financial ending on 31st March 2016."

**By Order of the Board of Directors
For Sharp India Limited**

Date : 14th August 2015
Place : Pune

**Mayuresh Vaze
Company Secretary
Membership No. ACS-19529**

NOTES:

1. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 in respect of the special business under Item Nos. 4 to 8 above is annexed hereto.
 2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIM AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Proxy Form (Form MGT-11) is attached elsewhere in this report. Kindly fill up appropriate details like your name, address, Folio No./ DPID & Client ID, and the details of the person(s) to be appointed as the proxy - name, address, email ID etc.. The proxy form should be signed by the shareholder and the proxy holder and a revenue stamp should be affixed at the place provided for the same. Proxies, in order to be effective, must be received at the Company's Registered Office not less than 48 hours before the meeting. Proxies submitted on behalf of companies, societies, partnership firms, etc. must be supported by appropriate resolution/ authority, as applicable, issued on behalf of the nominating organization. Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
 3. A statement giving details of the Directors to be newly appointed or reappointed is annexed herewith as required under clause 49 of the listing agreement.
 4. Members are requested to notify any change of address to their Depository Participants (DPs) in respect of their electronic share accounts and to the Registrars & Transfer Agents, Link Intime India Private Limited 202, 2nd Floor, Akshay Complex, Off Dhole Patil Road, Near Ganesh Mandir, Pune 411 001, in respect of their physical share folios.
 5. Members can avail of nomination facility. Blank Nomination forms will be supplied on request.
 6. Members who are holding shares in more than one folio under name(s) in the same order are requested to sent the relative share certificates to the Registrar and Transfer Agents for consolidation of the entire holding in one folio. The share certificates after consolidation will be returned by registered post/courier.
 7. The Share Transfer Books and the Register of Members of the Company will remain closed from Saturday, 19th September 2015 to Wednesday, 30th September 2015 (both days inclusive).
 8. Members are requested to bring along with them a copy of the Annual Report as the same will not be distributed in the meeting.
 9. Members are requested to forward their queries on accounts at least 10 days in advance to enable us to reply the same.
 10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN details to their respective Depository Participants. Members holding shares in physical form are requested to submit their PAN details to the Company or its Share Registrars and Transfer Agents.
 11. Relevant documents referred to in the accompanying notice and the statement are open for inspection by the members at the registered office of the Company during the business hours on all the working days up to the date of 30th annual general meeting.
 12. In view of the 'Green Initiative' introduced by the Ministry of Corporate Affairs all the members who are holding shares of the Company in PHYSICAL Mode are requested to register their Email ID with the Company, so as to enable the Company to send all notices, /reports/ intimations and other correspondence etc. through Emails. i.e. in the electronic mode instead of receiving physical copies of the same. Members holding shares in DEMAT Mode, who have not registered their e-mail ID with the Depository Participant (DP) are also requested to register or update their email ID with the Depository Participant, so that all future shareholder's correspondence can be sent to the email ID registered with your DP.
 13. In compliance with the provisions of section 108 of the Companies Act, 2013, read with Rule 20 of The Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to the Members the facility to exercise their right to vote at the 30th Annual General Meeting (AGM) by electronic means (Remote E-Voting Facility) and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL). The instructions for members for voting electronically are as under:-
- The instructions for shareholders voting electronically are as under:
- (i) The voting period begins on Sunday, 27th September 2015 at 09:00 a.m. and ends on Tuesday, 29th September 2015 at 05:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, i.e. Wednesday, 23rd September 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5:00 p.m. on Tuesday, 29th September 2015.
 - (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (iii) Click on Shareholders.
 - (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (v) Next enter the Image Verification as displayed and Click on Login.
 - (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the existing password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Note for Non - Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance

user would be able to link the account(s) for which they wish to vote on.

- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

14. Other information in respect of E- Voting / Voting on Resolutions by the members:.

- Pursuant to Clause 35B of the Listing Agreement, Members who do not have access to e-voting facility may fill in the Ballot Paper enclosed elsewhere in this annual report (a copy of the same is also part of the soft copy of the Notice) and submit the same in a sealed envelope to the Scrutinizer appointed by the Board of Directors of the Company, Mr. S. V. Deulkar, Partner of M/s. SVD & Associates, Company Secretaries, at C/o Sharp India Ltd., Secretarial Department, Gat No. 686/4, Koregaon Bhima, Tal. : Shirur, Dist. Pune 412 216 so as to reach not later than Tuesday, 29th September, 2015 by 5:00 p.m. Ballot Paper received thereafter will be treated as invalid.
- Facility of voting through Poll paper shall also be made available at the 30th Annual General Meeting. Members attending the Meeting, who have not already cast their vote by remote e-voting or through Ballot Form shall be able to exercise their right to vote at the 30th Annual General Meeting
- Members who have cast their vote by remote e-voting or through ballot form prior to the meeting may also attend the meeting but shall not be entitled to vote again at the AGM.
- A member shall opt for only one mode of voting i.e either through e-voting or by Ballot Paper. If the member casts vote through both the modes, the votes in the electronic system would be considered and the Ballot Paper would be ignored.
- Mr. S. V. Deulkar, Partner of M/s. SVD & Associates, Company Secretaries has been appointed as the Scrutinizer for scrutinizing the e-voting process in a fair and transparent manner.
- The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than three days of conclusion of the meeting a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.
- The results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL within two days of the passing of the resolutions at the AGM and also will be communicated to the BSE Limited (BSE), where the shares of the Company are listed.

15. Route Map of the venue of the 30th Annual General Meeting is provided to you to make it convenient to you to attend the 30th Annual General Meeting.

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

ITEM NO. 4 to 5 :

Mr. Prashant Asher and Ms. Bhumika Batra have been appointed as the Non-Executive Independent Directors of the Company with effect

from 11th November 2014 for a period of five years subject to the approval of the members of the Company. As per the provisions of Section 149 of the Companies Act, 2013, which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation. Mr. Prashant Asher and Ms. Bhumika Batra have given a declaration to the Board that they meet the criteria of independence as provided under Section 149 (6) of the Companies Act, 2013. In the opinion of the Board, they fulfill the conditions specified in the Companies Act, 2013 and the Rules made there under for appointment as Independent Director and they are independent of the management. Taking into consideration, the experience and expertise of Mr. Prashant Asher and Ms. Bhumika Batra, their appointment as an independent director is justified.

In compliance with the provisions of Section 149 read with Schedule IV of the Companies Act, 2013, the appointment of Mr. Prashant Asher and Ms. Bhumika Batra, the Independent Directors is now being placed before the Members in General Meeting for their approval. The terms and conditions of appointment of Mr. Prashant Asher and Ms. Bhumika Batra pursuant to the provisions of Schedule IV of the Companies Act, 2013, shall be open for inspection at the Registered Office of the Company by any Member during normal business hours on any working day of the Company.

Mr. Prashant Asher and Ms. Bhumika Batra are interested and concerned in their respective resolution for appointment as an independent directors of the Company mentioned at Item 4 & 5 respectively. Other than Mr. Prashant Asher and Ms. Bhumika Batra no other director, key managerial personnel or their respective relatives are concerned or interested in these resolutions. They do not have any relationship with any other directors of the Company. The Board recommends these resolutions for acceptance by the members. Other information of these directors is provided below the explanatory statement and also forms part of the explanatory statement.

ITEM No. 6

The Board of Directors has appointed Mr. Kazunori Ajikawa as an Additional Director of the Company with effect from 14th August 2015. As per the provisions of Section 161(1) of the Companies Act, 2013, (the Act) Mr. Kazunori Ajikawa shall hold office as an Additional Director only up to the date of this Annual General Meeting of the Company, and is eligible for appointment as a Director.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Kazunori Ajikawa for the office of Director of the Company.

The matter regarding appointment of Mr. Kazunori Ajikawa as a Director was placed before the Nomination and Remuneration Committee and it has recommended his appointment.

Mr. Kazunori Ajikawa has given a declaration to the Board that he is not disqualified from being appointed as a Director in terms of Section 164 (2) of the Act and has given his consent to act as a Director. In the opinion of the Board, he fulfills the conditions specified in the Act and the Rules framed there under for his appointment.

In compliance with the provisions of Section 161 of the Act, the appointment of Mr. Kazunori Ajikawa as a Director is now being placed before the Members for their approval.

Except Mr. Kazunori Ajikawa none of the directors, key managerial personnel or their respective relatives are interested in this resolution. He does not have any relationship with any other director of the Company. It is considered desirable that the company should have benefit of his experience and advice. The Board recommends the resolution for acceptance by the members. Other information of Mr. Kazunori Ajikawa is provided below the explanatory statement and also forms part of this explanatory statement.

ITEM NO.7:

The First tenure of Mr. Masahiko Nakagawasai as an Executive Director of Sharp India Limited concluded on 27th May 2015. The Board of Directors of the Company in its meeting held on 26th May 2015 have re-

appointed Mr. Masahiko Nakagawasai as an Executive Director of the Company to hold office for a period of three years effective from 28th May 2015 to 27th May 2018. His appointment has been made under Schedule- V of the Companies Act, 2013. The Audit Committee has approved his appointment as an Executive Director of the Company for the aforesaid period of three years and the Nomination & Remuneration committee has approved the remuneration payable to him for the aforesaid period of three years in their respective meetings held on 26th May 2015. Mr. Masahiko Nakagawasai has resigned as an Executive Director as well as a Director of the Company with effect from 14th August 2015. Hence now the member's approval is sought for the re-appointment & remuneration payable to Mr. Masahiko Nakagawasai as an executive director of the company for the period from 28th May 2015 up to 14th August 2015 and the same is placed before the members of the Company for their approval.

The information as required to be given under Schedule V to the Companies Act, 2013 is as under: -

I. GENERAL INFORMATION:

- (1) Nature of Industry - Manufacture & sale of LCD & Air conditioners
- (2) Date or expected date of commencement of commercial operation: - The Company started its commercial operations from July 1986 .
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus - N.A
- (4) Financial Performance based on given indicators :

(Rs. In Lakhs)

Financial Parameters	2013-2014	2014-2015
Total Revenue (Net)	15428.84	18,903.77
Net Profit/ (Loss) for the year as per Profit & Loss Account	277.04	156.36
EPS	1.07	0.60

- (5) Foreign investments or collaborators, if any, as on 31.03.2015 -
The total Foreign Holdings in the company as on 31.03.2015 were 19,601,955 equity shares i.e. 75.55% of the total Paid up Capital. Out of that Sharp Corporation, Japan who is promoters of the company hold 19,458,000 equity shares i.e. 75% equity shares in the company. The company has a technical collaboration with Sharp Corporation - Japan for manufacture of Colour Televisions (CTVs) & LED TVs & air conditioners.

II. INFORMATION ABOUT THE APPOINTEE:

- (1) Background Details - Mr. Masahiko Nakagawasai a Japanese National, aged about 56 years, is a Bachelor of Economics from University of Fukushima, Japan. He has wide experience in the field of Accounts. He has held various positions in Sharp Group of Companies before joining Sharp India Limited
- (2) Past remuneration, Recognition & awards, Job profile & his suitability

Mr. Masahiko Nakagawasai was paid a remuneration of around Rs.15.18 Lacs (Salary & perquisites etc.) in the last financial year - 2014-2015 and he served his first term as an Executive Director of Sharp India Limited w.e.f 28th May 2012 for a period of three years. Mr. Masahiko Nakagawasai possesses a wide experience in the field of Accounts and his association with the company was of great help to the company. Subject to the superintendence, control and direction of the Board of Directors of the Company and also subject to the directions from time to time given by the Managing Director, Mr. Masahiko Nakagawasai has exercised the control and supervised the general conduct and management of the business and affairs of the Company save and except the matters which required approval of the Board under the

Companies Act, 2013 or any other Act or by the Company's Articles of Association. The Executive Director had exercised and performed such powers and duties as the Board of Directors of the Company from time to time determined and delegated.

- (3) Remuneration proposed - as set out in the resolution for the Item no.7. The remuneration to the Executive Director has the approval of the Nomination and Remuneration Committee.
- (4) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin) - Taking into consideration the size of the Company, the profile of Mr. Masahiko Nakagawasai, the responsibilities shouldered by him, the aforesaid remuneration package is commensurate with the remuneration package paid to managerial position in other Companies.
- (5) Pecuniary relationship directly or indirectly with the company, or relationship with managerial personnel, if any - Besides, the remuneration proposed, Mr. Masahiko Nakagawasai does not have any other pecuniary relationship with the Company.

III: Other Information:

- (1) Reasons for Loss or inadequate profit, Steps taken or proposed to be taken for improvement and Expected increase in productivity and profits in measurable terms:

Company has accumulated losses of past years but have made a profit of Rs.156.36 Lacs in the last financial year 2014-2015. Intense competition, increase in input cost and reduction in selling prices, fluctuations in the currency exchange rates, and seasonal demand for the air conditioners are affecting profitability of the company.

Company is trying its best to reduce the costs, introduce new features in features of its products & explore new markets etc. to improve its profitability. However it will be difficult to predict the same in measurable terms.

IV: DISCLOSURES :

The disclosures as required under this clause have been made separately in notice of the annual general meeting & also Corporate Governance section.

Except Mr. Masahiko Nakagawasai none of the directors, key managerial personnel or their respective relatives are interested in this resolutions. He does not have any relationship with any other director of the Company. It was considered desirable that the company should have benefit of his experience and advice. The Board recommends the resolution for acceptance by the members. Other information of Mr. Masahiko Nakagawasai is provided below the explanatory statement and also forms part of this explanatory statement.

ITEM NO.8:

The Ministry of Corporate Affairs vide its notification dated 31st December 2014 had mandated the Cost Audit of the Company for the financial year 2015-2016. The Board of Directors on the recommendation of the Audit Committee have appointed M/s. C. S. Adawadkar & Co., Practicing Cost Accountant as the 'Cost Auditor' of the Company for the financial year ending 31st March 2016 to audit the cost records of the Company. As per section 148 (3) of the Companies Act, 2013, read with Rule no.14 of the Companies (Audit & Auditors) Rules 2014 the remuneration payable to the 'Cost Auditor' requires to be ratified by the members of the Company. Accordingly members are requested to ratify the remuneration payable to the 'Cost Auditor' for the financial year ending 31st March 2016 as set out in the resolution for the aforesaid services to be rendered by them. None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution. The Directors recommend the resolution for acceptance by the members.

DISCLOSURES AND INFORMATION ABOUT DIRECTORS BEING APPOINTED OR REAPPOINTED AT THE ANNUAL GENERAL MEETING PURSUANT TO CLAUSE 49 (VIII) OF THE LISTING AGREEMENT:

- ▶ **Mr. Tomio Isogai:** Mr. Tomio Isogai is working as the Managing Director of the Company for a period of three years effective from 9th December 2012. Mr. Tomio Isogai has graduated in English from Kyoto University of Foreign Studies in the year 1979. He has an experience of about 34 years and has held various positions in Sharp Group of Companies in various fields which include Managing Director of some regional sales subsidiaries before joining Sharp India Limited. He is also a Director in Sharp Business Systems (India) Private Limited. He is also a member of the Audit Committee of Sharp Business Systems (India) Private Limited and a member of the Audit Committee & Stakeholder's Relationship & Share Transfer committee of Sharp India Limited and also the Chairman of the Remuneration Committee of Sharp Business Systems (India) Private Limited. He is Chairman of the Risk Management Committee of Sharp India Limited. He does not hold any shares in the Company.
- ▶ **Mr. Prashant Asher:** Mr. Prashant Asher is a qualified Advocate and is a Partner at M/s. Crawford Bayley & Co., Advocates & Solicitors. He joined M/s. Crawford Bayley & Co, Advocates & Solicitors in the year 1995. He also serves on the Board of following Companies: Etof Hannson (India) Limited, ICC International Agencies Limited, Seenol Finance and Investments Private Limited, Lloyds Register Industrial Services (India) Private Limited, Hinduja Ventures Limited, Mandhana Industries Limited, Hinduja Group Limited and Hinduja Reality Ventures Limited. He is also the member of the following committees: Audit Committees of Sharp India Limited and Mandhana Industries Limited, Nomination & Remuneration Committees of: Sharp India Limited, Mandhana Industries Limited and Hinduja Ventures Limited, Hinduja Group Limited and Hinduja Reality Ventures Limited, and Corporate Social Responsibility Committee of Hinduja Ventures Limited. He is also the Chairman of the Stakeholder's Relationship & Share Transfer Committee of Sharp India Limited. He does not hold any shares in the Company.
- ▶ **Ms. Bhumika Batra:** Ms. Bhumika Batra is a qualified Advocate and Company Secretary. She is an Associate Partner at M/s. Crawford Bayley & Co., Advocates & Solicitors. She joined M/s. Crawford Bayley & Co, Advocates & Solicitors on 1st May 2005. She is also the recipient of scholarship of London School of Economics for doing Masters in Law. She is practicing in the Corporate Laws. She serves on the Board of the Following Companies: Gangetic Hotels Private Limited, Raipur Treasure Island Private Limited, Jabalpur Treasure Island Private Limited, Surya Treasure Island Private Limited, Alliance Spaces Private Limited, Turning Point Estates Private Limited, AKME Rhine River Projects Private Limited, Master Voss International Projects Private Limited, Team Relocations India Private Limited, Petainer Innopac Packaging Private Limited, Hinduja Ventures Limited, Finolex J- Power Systems Limited, Hinduja Leyland Finance Limited, Kancor Ingredients Limited, Patel Integrated Logistics Limited and Hinduja Tech Limited. She is the member of the following committees: Audit Committees of Hinduja Leyland Finance Limited and Kancor Ingredients Limited, Risk Management Committee, Asset Liability Management Committee and Committee of Independent Directors of Hinduja Leyland Finance Limited, and Nomination & Remuneration Committee of Kancor Ingredients Limited, She is also Chairman of the Audit Committee & the Nomination & Remuneration Committee of Sharp India Limited. She does not hold any shares in the Company.
- ▶ **Mr. Kazunori Ajikawa:** He has been appointed as an Additional Director with effect from August 14, 2015. He has held various positions in Sharp Corporation Japan and associate Companies. Mr. Kazunori Ajikawa has wide experience in the field of Sales and Marketing. He is also a Director on the Board of Sharp

Business Systems (India) Private Limited. He is also a member of the Nomination & Remuneration Committee and Risk Management Committee of the company. He does not hold any shares in the company.

- ▶ **Mr.Masahiko Nakagawasai** : Mr. Masahiko Nakagawasai is aged about 56 years & is a Bachelor of Economics from University of Fukushima , Japan. He has a wide experience in the field of Accounts and has held various positions in Sharp Group of Companies before joining Sharp India Limited. He is also a director of Sharp Business Systems (India) Pvt. Ltd.

He was a member of Stakeholders Relationship & Share Transfer Committee and Risk Management Committee of Sharp India Limited. He does not hold any shares of the Company.

Mr. Tomio Isogai Managing Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible have offered himself for re- appointment.

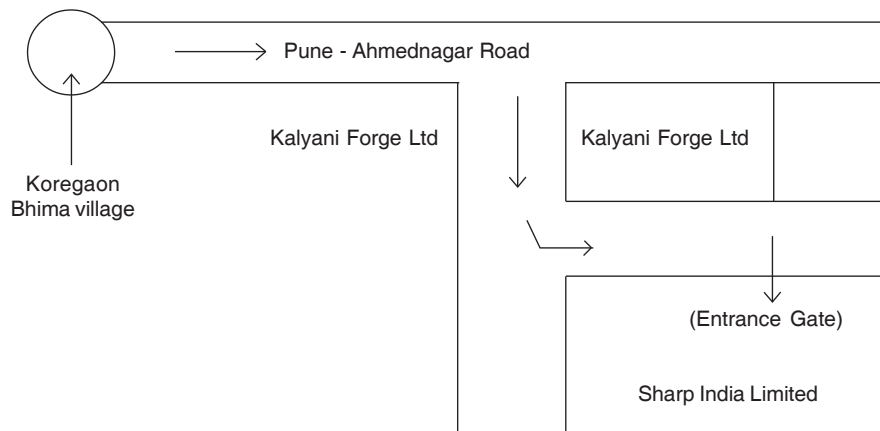
**By Order of the Board of Directors
For Sharp India Limited**

Pune
14th August 2015

**Mayuresh Vaze
Company Secretary
Membership No. ACS-19529**

Route Map of 30th AGM Venue :

This route map is only meant for understanding the location of the 30th AGM.
30th AGM Venue (Sharp India Ltd) is around 3 K.M. away from Koregaon Bhima village



DIRECTORS' REPORT

To

The Members,

Your Directors have pleasure in presenting their Thirtieth Report together with the Audited Financial Statement of Accounts for the year ended on March 31, 2015.

1. FINANCIAL RESULTS AND HIGHLIGHTS: Rs. In Lacs

	Year ended March 31, 2015	Year ended March 31, 2014
INCOME		
Sales and Services (Gross)	21,800.75	17,810.36
Less : Excise Duty & Service tax	(2,896.98)	(2,381.52)
Sales and Service income (Net)	18,903.77	15,428.84
Other Income	24.57	2.66
	<u>18,928.34</u>	<u>15,431.50</u>
EXPENDITURE		
Manufacturing and other expenses	17,835.35	14,461.36
Depreciation	773.18	557.89
Financial expense	163.39	135.08
	<u>18771.92</u>	<u>15,154.33</u>
PROFIT BEFORE TAX	156.42	277.18
PROVISION FOR TAX		
Wealth Tax	0.06	0.14
NET PROFIT/(LOSS) FOR THE YEAR	156.36	277.04
PROFIT AND LOSS ACCOUNT, beginning of the year	(1848.45)	(2,125.49)
PROFIT AND LOSS ACCOUNT, end of the year,	(1692.09)	(1,848.45)

2. PERFORMANCE & OPERATIONS :

Gross sales income during the year under review was Rs.21,800.75 Lacs. The net Profit of the company for the fiscal 2014- 2015 is Rs.156.36 Lacs. Air conditioners continue to contribute in increasing the gross sale & profit of the company.

3. MANAGEMENT DISCUSSION ANALYSIS AND CORPORATE GOVERNANCE :

The Management Discussion Analysis and the report on Corporate Governance are attached to the Directors' Report and form parts of this Annual Report. A Certificate from a Company Secretary in whole time practice verifying compliance thereof is also incorporated in the Corporate Governance section.

4. CERTIFICATES AND MARKS:

Your Company continues to be an ISO 14001 and ISO 9001 certified Company.

5. INDUSTRIAL RELATIONS:

During the year ended March 31, 2015 the industrial Relations were harmonious and cordial

6. AUDITORS:

i) Statutory Auditors:

The members in their 29th Annual General Meeting held on 22nd September 2014 have appointed M/s. S R B C & Co LLP, Chartered Accountants, as the Statutory Auditors of the Company from the conclusion of 29th annual general Meeting up to the conclusion of 32nd annual general meeting of the Company for a period of three years. The appointment of M/s. S R B C & Co LLP, Chartered Accountants, as the Statutory Auditors of the Company will be placed for ratification by the shareholders as per the first proviso to Section 139 of the Companies Act 2013. Members are requested to consider the ratification of the appointment of the Statutory Auditors and authorize the Board to fix their remuneration.

ii) Cost Auditors:

The Board of Directors have appointed Mr. Chandrashekhar.S. Adawadkar , Practicing Cost Accountant, to conduct the Cost Audit of the Company for the financial year ending on 31st March, 2016 upon recommendation of the Audit Committee . The Remuneration payable to the Cost Auditors for the financial year 2015-2016 requires ratification by the members of the Company. The same is put before the members of the company for their consideration and approval.

Cost Audit was not applicable to your Company for the Financial year 2014-2015

iii) Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company appointed M/s. S.V.Deulkar & Co., Company Secretaries as the 'Secretarial Auditors' of the company for the financial year 2014-2015. They have resigned as the Secretarial Auditors of the Company for the financial year 2014-2015.

In place of M/s. S.V. Deulkar & Co, Practicing Company Secretaries, the Board appointed M/s. SVD & Associates, Practicing Company Secretaries as the Secretarial Auditors of the Company with effect from 7th February 2015 to audit the secretarial records of the Company for the financial year 2014-2015.

The Secretarial Audit Report given by M/s. SVD & Associates, Practicing Company Secretaries for the financial year 2014-2015 is annexed as Annexure - C.

The Auditors' Report and the Secretarial Audit Report for the financial year ended 31st March, 2015 do not contain any qualification, reservation, adverse remark or disclaimer.

7. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of Annual Return in Form MGT - 9 is annexed herewith as 'Annexure - A' to this Report.

8. NUMBER OF MEETINGS OF THE BOARD

During the year under review, Four Board Meetings were convened and held. The details of which are given in the Corporate Governance Report.

9. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 134 (1) (c) and 134(5) of the Companies Act, 2013, in respect of Directors' Responsibility Statement, it is hereby confirmed that:

- a) in the preparation of the annual accounts for the financial year ended on 31st March 2015, the applicable accounting standards have been followed and that there are no 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 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 the Companies Act 2013, 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;
- e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
- f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

10. A STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS:

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

11. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT, AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES AND INDEPENDENCE OF A DIRECTOR :

The Board had on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management Personnel and their remuneration. The policy is annexed herewith as 'Annexure - B' to this Report.

Criteria for Determining Qualifications, Positive Attributes & Independence of Director (Evaluation Criteria):

i. Qualifications of Director:

A director shall possess appropriate skills, experience and knowledge in one or more fields of engineering, finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the Company's business.

ii. Positive attributes of Directors:

A director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the Company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the Company in implementing the best corporate governance practices.

iii. Independence of Independent Directors:

An Independent director should meet the requirements of the Companies Act, 2013 and Clause 49 of the Listing Agreement concerning independence of directors."

12. EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARKS OR DISCLAIMER MADE (1) BY THE AUDITOR IN HIS REPORT (2) BY THE COMPANY SECRETARY IN PRACTICE IN HIS SECRETARIAL AUDIT REPORT :

There are no qualifications, adverse remarks or disclaimer made by the statutory auditors or company secretary in practice in their respective audit reports.

13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

The Company has not given any loans, guarantees or has not made any investments during the financial year 2014-2015 under review.

14. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB SECTION (1) OF SECTION 188 IN THE PRESCRIBED FORM:

All contracts or arrangements entered in to by company with related parties have been done at arm's length and are in ordinary course of business.

As per the provisions of Section 134 of the Companies Act 2013 read with Rule 8(2) of the Companies (Accounts) Rules the particulars of such transactions are provided in the Form AOC-2 which is annexed herewith as 'Annexure- E' to this report.

The policy on related party transaction as approved by the Board has been displayed on the website of the Company www.sharpindialimited.com.

15. THE STATE OF THE AFFAIRS OF THE COMPANY :

State of Company's affairs has been covered as part of this report under the 'financial results' & Management Discussion and Analysis (MDA).

16. THE AMOUNT, IF ANY, WHICH, THE COMPANY PROPOSES TO CARRY TO ANY RESERVES : Nil**17. THE AMOUNT, IF ANY, WHICH THE COMPANY RECOMMENDS SHOULD BE PAID BY WAY OF DIVIDEND : Nil.**

18. 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 :

There was no production of LED TVs since April 2015 and of Air Conditioners since June 2015 in the absence of any orders.

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

Conservation of Energy & Technology Absorption etc.:

Your Company has taken various measures to conserve the energy and places very much importance for the conservation of energy and is conscious about its responsibility to conserve energy, power and other energy sources and has taken necessary steps to conserve the same. The company continued its efforts to improve its energy usage efficiency. It lays great emphasis towards a safe and clean environment and continues to adhere to all regulatory requirements and guidelines.

Your company strongly and religiously follows and practices the 3E Policy i.e. -

- Eco-positive Product - Products having less usage of resources and are safe for use,
- Eco-positive Operation - Reduce adverse impact on environment during Manufacturing processes
- Eco-positive Relationship - Enhance corporate value during involvement of Employees

Even though the nature of company's operations is not energy-intensive, in line with the company's commitment towards conservation of energy, all departments in the company continue with their efforts aimed at improving energy efficiency through improved operational and maintenance practices. The steps taken in this direction by your company are as given below: (1) make constant efforts to reduce consumption of energy, light, oil, water & fuel in following ways: (i)Reduction of energy consumption by turning off lights, personal computers , fans and other electronic equipments when not in use; (ii)Timely maintenance and up-gradation of machinery & equipments;(iii)Plantation of trees in the factory (v).Awareness programs towards optimum utilization of natural resources at managerial as well as employee level; (v) Timely repairs & maintenance of water taps in the factory.

The in-house development of new models of LCD TVs & newly introduced Inverter type split Air conditioners (ACs) is supported by strong overseas technical knowledge from Sharp Corporation, Japan. The technology provided by Sharp Corporation, Japan is being absorbed and the company continues to utilize the same.

Expenditure on Research & Development :

	Amount Rs. Lacs
Capital	-
Recurring	87.67
Total	87.67
Total R&D Expenditure as a percentage of total sales turnover	0.46%

Foreign Exchange Earnings and Out go:

	Amount Rs. Lacs
Foreign Exchange outgo	12250.91
Foreign Exchange earning	165.30

20. RISK MANAGEMENT POLICY:

The Company has adopted a Risk Management Policy in accordance with the provisions of the Companies Act 2013 and Clause 49 of the Listing Agreement. The company has setup a Risk Management Committee duly approved by the Board of Directors. The Committee identifies all strategic, operational & financial risks by analyzing and assessing the operations of the company. The Risk management report giving details of risks identified along with measures adopted to control the risks, is placed before the Board & Audit Committee quarterly for their evaluation & suggestions.

21. CORPORATE SOCIAL RESPONSIBILITY POLICY:

This policy is not applicable to the Company at present.

22. MANNER OF ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND OF DIRECTORS:

As per the policy and criteria laid down by the Nomination & Remuneration Committee, provisions of the Companies Act 2013 & Clause 49 of the listing agreement, the Board has carried out an annual performance evaluation of its own & committees.

23. THE DETAILS OF DIRECTORS, KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR:

Directors Appointed and Resigned :

Mr. Sanjay Vaidya, Mr. Sanjay Asher and Mr. Noriyuki Watanabe were appointed as the Independent Directors of the Company with effect from 22nd September 2014 by the shareholders of the company in their 29th Annual general Meeting held on that date.

Mr. Sanjay Asher & Mr. Noriyuki Watanabe have resigned as the Directors of the Company with effect from 30th September 2014. The Board places on record their sincere appreciation for the useful contribution made by Mr. Sanjay Asher and Mr. Noriyuki Watanabe during their tenure as a director of the Company.

Mr. Prashant Asher & Ms. Bhumika Batra have been appointed as an Additional Director as well as an Independent Directors of the Company with effect from 11th November 2014 for a period of five years. In compliance with the provisions of Section 149 and Schedule IV of the Companies Act, 2013,the appointment of Mr. Prashant Asher and Ms. Bhumika Batra as the Independent Directors is being placed before the Members in the Annual General Meeting for their approval. In the opinion of the Board, they fulfill the conditions specified in the Companies Act 2013 and the Rules made there under for appointment as Independent Directors and are independent of the management. Members are requested to refer to the Notice of the Annual General Meeting and the Explanatory Statement for details of the qualifications and experience of the Directors and the period of their appointment. Members approval is sought for their appointment as an independent director of the company in the ensuing annual general meeting.

Mr. Sanjay Vaidya has resigned as the Director of the Company with effect from 26th May 2015. The Board places on record their sincere appreciation for the useful contribution made by Mr. Sanjay

Vaidya during his tenure as a director of the Company.

Mr. Masahiko Nakagawasai's earlier tenure as an Executive Director & Chief Financial Officer of the Company concluded on 27th May 2015. He was re-appointed as an Executive Director as well as the Chief Financial Officer of the Company for a period of three years with effect from 28th May 2015. Mr. Masahiko Nakagawasai has resigned as an Executive Director as well as a Director of the Company with effect from 14th August 2015. His re-appointment as an Executive Director was made under Schedule-V of the Companies Act, 2013 and other applicable provisions thereto. The appointment and remuneration payable to Mr. Masahiko Nakagawasai as an Executive Director for the period- 28th May 2015 up to 14th August 2015 is subject to the approval of the members of the Company. The Board places on record their sincere appreciation for the useful contribution made by him during his tenure as an Executive Director and the Director of the Company.

Mr. Sunil Kumar Sinha has resigned as the Chairman & Director of the Company with effect from 14th August 2015. The board places its sincere appreciation for the useful contribution made by Mr. Sunil Kumar Sinha during his tenure as the Chairman & Director of the Company.

Mr. Kazunori Ajikawa has been appointed as an additional director of the Company with effect from 14th August 2015. He holds the office till the ensuing Annual General Meeting of the Company. A notice proposing appointment of Mr. Kazunori Ajikawa as a Director of the Company under section 160 of the Companies Act, 2013 has been received from the member of the Company.

Key Managerial Personnel Designated during the Year:

Mr. Tomio Isogai, - Managing Director, Mr. Masahiko Nakagawasai- Executive Director & Chief Financial Officer and Mr. Mayuresh Vaze- Company Secretary have been designated as the 'Key Managerial Personnel' of the Company with effect from 26th May 2014.

Directors proposed to be re-appointed at the ensuing Annual general Meeting :

In accordance with the provisions of the Companies Act, 2013, and the Articles of Association of the Company Mr. Tomio Isogai retire by rotation as a Director of the Company and being eligible he have offered himself for the reappointment.

24. THE NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURE OR ASSOCIATE COMPANIES DURING THE YEAR:

There are no companies which have become/ ceased to be subsidiaries, joint ventures or associate companies during the year.

25. DEPOSITS

Your Company has not accepted any Fixed Deposits during the year under review.

26. SIGNIFICANT AND MATERIAL ORDERS

No significant material orders have been passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

27. INTERNAL FINANCIAL CONTROLS

Considering the nature and size of the business, the company has

in place adequate internal financial controls. No reportable material weakness have been observed during scrutiny and testing.

28. INFORMATION FORMING PART OF THE DIRECTORS REPORT PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 AND RULE NO. 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 :

The relevant information required to be given under section 197(12) of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed at 'Annexure - D' to this Report.

29. COMPOSITION OF THE AUDIT COMMITTEE ETC.:

Composition of the Audit Committee and other relevant information has been given in the section 'Corporate Governance'.

30. VIGIL MECHANISM /WHISTLE BLOWER POLICY:

The Company has adopted a Vigil Mechanism / Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. During the year under review, the company has not received any complaints under the said mechanism. This policy has been posted on the website of the company- www.sharpindialimited.com

31. FAMILIARIZATION PROGRAM :

Familiarization program of independent directors of the Company is available on the website of the Company www.sharpindialimited.com

32. POLICY UNDER THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

In terms of the provisions of the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has formulated a policy to prevent sexual harassment of women at the workplace. During the year under review your company has not received any complaints of sexual harassment of women at the workplace and there were no cases filed pursuant to the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013

33. ACKNOWLEDGEMENTS:

Your Directors express their gratitude for the valued and timely support and guidance received from Sharp Corporation, Japan and also wish to place on record their appreciation for the co-operation extended by the Bankers, Financial Institutions and its valued investors. The Board also acknowledges the untiring efforts and contribution made by the company's employees.

For and on behalf of the Board of Directors

Date: 14th August, 2015
Pune

Tomio Isogai **Masahiko Nakagawasai**
Managing Director **Executive Director**
DIN : 03426524 **DIN : 05274985**

Annexure- A

FORM NO. MGT- 9

EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2015Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L 36759MH1985PLC036759
2.	Registration Date	5th July 1985
3.	Name of the Company	Sharp India Limited
4.	Category/Sub-category of the Company	Public Company Limited by Shares
5.	Address of the Registered office & contact details	- Gat No.686/4, Koregoan Bhima, Taluka: Shirur, Dist: Pune - 412 216, Tel No. 91-02137-252417 Fax No. 91-02137-252453
6.	Whether listed company	YES
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited, 202, 2nd Floor, Akshay Complex, Off. Dhole Patil Road, Near Ganesh Mandir, Pune - 411 001 Phone No.91-020 -26161629 Fax No.91-020 - 26163503

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Air Conditioners	2819	68.60
2	LED TVs	2640	30.49

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

SR.No.	Name & Address of the Company	CIN/GLN	Holding /Subsidiary Associate Company	Percentage of Shares Held	Applicable section
1.	Sharp Corporation, 22-22, Nagaiko Cho, Abeno- Ku, Osaka,545- 8522, Japan	NA	Holding Company	75.00%	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1st April 2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	0	0	0	0.00	0	0	0	0	0.00
a) Individual/ HUF	0	0	0	0.00	0	0	0	0	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0	0.00
d) Bodies Corp.	0	0	0	0.00	0	0	0	0	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0	0.00
f) Any other	0	0	0	0.00	0	0	0	0	0.00
Sub-total (A1)	0	0	0	0.00	0	0	0	0	0.00
(2) Foreign									
a) NRI- Individuals	0	0	0	0.00	0	0	0	0	0.00
b) Others- Individuals	0	0	0	0.00	0	0	0	0	0.00
c) Bodies Corporate	19458000	0	19458000	75.00	19458000	0	19458000	75.00	0.00
d) Banks/Financial Institutions	0	0	0	0.00	0	0	0	0	0.00
e) Any others	0	0	0	0.00	0	0	0	0	0.00
Sub-Total (A2)	19458000	0	19458000	75.00	19458000	0	19458000	75.00	0.00
Total Shareholding of Promoters A= (A1) + (A2)	19458000	0	19458000	75.00	19458000	0	19458000	75.00	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	1700	1700	0.01	0	1700	1700	0.01	0.00
b) Banks / FI	0	0	0	0.00	2000	0	2000	0.01	0.01
c) Central Govt	0	0	0	0.00	0	0	0	0	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0	0.00
g) FIs	0	1200	1200	0.00	0	0	0	0	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0	0.00
Sub-total (B)(1):-	0	2900	2900	0.01	2000	2900	4900	0.02	0.01
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	839274	11480	850754	03.28	477617	11480	489097	01.88	(01.40)
ii) Overseas	0	0	0	0	0	0	0	0	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	2605296	881460	3486756	13.44	2721880	866996	3588876	13.83	00.39
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1772095	136600	1908695	07.36	2117000	87100	2204100	08.49	01.13
c) Others (specify)									
Non Resident Indians (Repat)	80350	1100	81450	00.31	97375	1100	98475	00.37	00.06
Non Resident Indians (Non- Repat)	72468	0	72468	00.28	40413	0	40413	00.15	(00.13)
Clearing Members	81977	0	81977	00.32	59639	0	59639	00.22	(00.10)
Hindi Undivided family	0	1000	1000	00.00	0	500	500	00.00	0.00
Sub-total (B)(2):-	5451460	1031640	6483100	24.99	5513924	967176	6481100	24.98	(0.01)
Total Public Shareholding (B)=(B)(1)+ (B)(2)	5451460	1034540	6486000	25.00	5515924	970076	6486000	25.00	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0	0.00
Grand Total (A+B+C)	24909460	1034540	25944000	100.00	24973924	970076	25944000	100.00	0.00

ii) Shareholding of Promoter -

SN	Shareholder's Name	Shareholding at the beginning of the year (01.04.2014)			Shareholding at the end of the year (31.03.2015)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Sharp Corporation, Japan	19458000	75.00	0.00	19458000	75.00	0.00	0.00

iii) Change in Promoters' Shareholding (please specify, if there is no change)

There is no change in the promoter's shareholding during the year

SN	Particulars	Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the Year (31.03.2015)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	19458000	75.00	19458000	75.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	0	0	0	0
	At the end of the year	19458000	75.00	19458000	75.00

iv) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (01-04-2014)		Increase/ (Decrease) in the shareholding during the year		Shareholding at the end of the year (31-03-2015)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Indus Securities Limited	192041	00.74	(192041)	(00.74)	0	00.00
2	Raviraj Developers Limited	148736	00.57	(148736)	(00.57)	0	00.00
3	Rakesh Khanna	137538	00.53	(32397)	(00.13)	105141	00.40
4	Kamini Choudhary	100000	00.38	(43200)	(00.17)	56800	00.21
5	Neena Dilip Variya	100000	00.38	(100000)	(00.38)	0	0.00
6	Hardik Mahendra Chheda	98516	00.37	(97563)	(00.367)	953	0.003
7	Hirji Eddie Nagarwalla	94938	00.36	(24576)	(0.09)	70362	00.27
8	Hansa Bai Choudhary	77175	00.29	(32175)	(00.12)	45000	00.17
9	Ashwani Kumar	73198	00.28	(73198)	(00.28)	0	00.00
10	Tarachand Jain	72044	00.27	(45200)	(00.17)	26844	00.10
11	Girish Gulati, HUF	0	00.00	259877	01.00	259877	01.00
12	Samir Nandlal Shah	0	00.00	144000	00.55	144000	00.55
13	Jagdish Prasad Bagri	0	00.00	81000	00.31	81000	00.31
14	Regal Computer Systems Pvt Ltd	0	00.00	71000	00.27	71000	00.27
15	Naveen Bothra	0	00.00	70000	00.26	70000	00.26
16	Ajay Relan	0	00.00	64459	00.24	64459	00.24
17	M.Shikar	0	00.00	51193	00.19	51193	00.19

Note : Shares have increased or decreased due to transfer of shares

v) Shareholding of Directors and Key Managerial Personnel:

SN	Names of Directors & Key managerial Personnel	Shareholding at the beginning of the year (01.04.2014)		Increase/ (Decrease) in the shareholding during the year		Shareholding at the end of the year (31.03.2015)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	*Mr.Sunil Kumar Sinha- Chairman	0	00.00	10,260	00.04	10,260	00.04
2	Mr. Tomio Isogai- Managing Director	0	00.00	0	0.00	0	0.00
3	*Mr.Masahiko Nakagawasai- Executive Director & CFO	0	00.00	0	0.00	0	0.00
4	Mr.Sanjay Vaidya- Independent Director	0	00.00	0	0.00	0	0.00
5	*Mr .Sanjay Asher- Independent Director	100	00.0003	0	0.00	100	0.0003
6	*Mr. Noriyuki Watanabe- Independent Director	0	00.00	0	0.00	0	0.00
7	#Mr. Prashant Asher- Independent Director	0	00.00	0	0.00	0	0.00
8	#Ms. Bhumika Batra - Independent Director	0	00.00	0	0.00	0	0.00
9	Mr. Mayuresh Vaze- Company Secretary	0	00.00	0	0.00	0	0.00

*- Mr. Sanjay Asher & Mr. N. Watanabe has resigned as a Director w.e.f. 30th September 2014.

- Mr. Prashant Asher and Ms. Bhumika Batra has been appointed as the Additional Director w.e.f. 11th November 2014.

@- Mr. Sunilkumar Sinha and Mr. Masahiko Nakagawasai has resigned as the Directors w.e.f. 14th August 2015.

V) INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits (Rs.In Lacs)	Unsecured Loans (Rs. In Lacs)	Deposits (Rs. In Lacs)	Total Indebtedness (Rs. In Lacs)
Indebtedness at the beginning of the financial year (01-04-2014)				
i) Principal Amount	0	1,884.11	0	1,884.11
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	1,884.11	0	1,884.11
Change in Indebtedness during the financial year				
* Addition	0	0	0	0
* Reduction	0	0	0	0
Net Change	0	0	0	0
Indebtedness at the end of the financial year (31-03-2015)				
i) Principal Amount	0	1,884.11	0	1,884.11
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	1,884.11	0	1,884.11

VI. Remuneration of Directors & Key Managerial Personnel :

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Total Amount in Rupees		
		Mr.T.Isogai Managing Director	Mr.M.Nakagawasai Executive Director	Total amount in Rupees
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	14,40,000	13,20,000	27,60,000
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	46,910	39,600	86,510
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission	0	0	0
	- as % of profit			
	- others, specify...			
5	Others, please specify, Employer's Contribution to Provident Fund	1,72,800	1,58,400	3,31,200
	Total (A)	16,59,710	15,18,000	31,77,710
	Ceiling as per the Companies Act.	**	**	**

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors					Total Amount In Rs.
		Mr.S.S.Vaidya	*Mr.Sanjay Asher	*Mr. N.Watanabe	#Mr.Prashant Asher	#Ms.Bhumika Batra	
1	Independent Directors						
	@ Fee for attending board committee meetings	3,87,642	2,44,383	0	1,85,394	1,01,124	9,18,543
	Commission	0	0	0	0	0	0
	Others, please specify	0	0	0	0	0	0
	Total (1)	3,87,642	2,44,383	0	1,85,394	1,01,124	9,18,543
2	Other Non-Executive Directors						
	Mr. Sunil Kumar Sinha						
	Fee for attending board committee meetings	0					
	Commission	0					
	Others, please specify	0					
	Total (2)	0					0
	Total B = (1+2)	0					9,18,543
	Total Managerial Remuneration (A + B)						40,96,253
	Overall Ceiling as per the Act						**

*- Mr. Sanjay Asher & Mr. N. Watanabe has resigned as a Director w.e.f. 30th September 2014

#- Mr. Prashant Asher and Ms. Bhumika Batra has been appointed as the Additional Director as well as an independent directors w.e.f 11th November 2014.

** Remuneration paid to Managing Director and Executive Director is within the limits of the Companies Act.

@ - Sitting Fees paid to the Directors are within the limits of the Companies Act.

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

N	Particulars of Remuneration	Total Rupees Mr.Mayuresh Vaze (Company Secretary)	Total Rupees
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6,66,892	6,66,892
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0
2	Stock Option	0	0
3	Sweat Equity	0	0
4	Commission	0	0
	- as % of profit	0	0
	others, specify...	0	0
5	Others, please specify		
	Employers' Contribution to Provident Fund	24,564	24,564
	Employer's Contribution to Superannuation Fund	30,960	30,960
	Total	7,22,416	7,22,416

Note: Mr. Tomio Isogai- Managing Director is Managing Director & Mr. Masahiko Nakagawasai is, Executive Director & Chief Financial Officer of the Company (Key Managerial Personnel), and their remuneration details are already provided above.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD /NCLT/COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	0	0	0	0	0
Punishment	0	0	0	0	0
Compounding	0	0	0	0	0
B. DIRECTORS					
Penalty	0	0	0	0	0
Punishment	0	0	0	0	0
Compounding	0	0	0	0	0
C. OTHER OFFICERS IN DEFAULT					
Penalty	0	0	0	0	0
Punishment	0	0	0	0	0
Compounding	0	0	0	0	0

Annexure- B**NOMINATION AND REMUNERATION POLICY****1. PREAMBLE**

- 1.1 Sharp India Limited (the 'Company') recognizes the importance of attracting, retaining and motivating personnel of high calibre and talent for the purpose of ensuring efficiency and high standard in the conduct of its affairs and achievement of its goals besides securing the confidence of the shareholders in the sound management of the Company. For the purpose of attaining these ends, the Company has constituted a Nomination and Remuneration Committee which is entrusted with the task of devising a transparent reasonable and fair policy of remuneration for its directors, key managerial personnel and other employees.
- 1.2 The Companies Act, 2013 vide sub-section (3) of section 178, the Companies (Meetings of Board and its Powers) Rules, 2014 and Clause 49 of the Listing Agreement as amended by the Securities and Exchange Board of India vide Master Circular dated April 17, 2014 makes it mandatory for the Board of Directors of every listed company to constitute a Nomination and Remuneration Committee.
- 1.3 The objective of the Nomination and Remuneration Committee is to assist the Board of Directors of the Company and its controlled entities in fulfilling its responsibilities to shareholders by :
- 1.3.1. ensuring that the Board of Directors is comprised of individuals who are best able to discharge the responsibilities of directors in consonance with the Companies Act, 2013 and the norms of corporate governance and
- 1.3.2. ensuring that the nomination processes and remuneration policies are equitable and transparent.
- 1.4 The responsibilities of the Nomination and Remuneration Committee include :
- 1.4.1 formulating a criteria for determining qualifications, positive attributes and independence of a director;
- 1.4.2 recommending to the Board of Directors a policy, relating to the remuneration for the directors, key managerial personnel and senior management personnel.
- 1.4.3 formulating a criteria for evaluation of performance of Independent Directors and the Board of Directors and on the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director;
- 1.4.4 devising a policy on Board diversity; and
- 1.4.5 identifying persons who are qualified to become directors and who may be appointed as part of the 'senior management' or core management team of the Company in accordance with the criteria laid down, and recommending to the Board of Directors the appointment and removal of such personnel.
- 1.5 This Nomination and Remuneration Policy has been formulated with a view to :
- 1.5.1 devise a transparent system of determining the appropriate level of remuneration for the directors , key managerial personnel and senior management personnel .

1.5.2 encourage directors , key managerial personnel and senior management personnel to perform to their highest level;

1.5.3 provide consistency in remuneration for the directors, key managerial personnel and senior management.

1.6 The Nomination and Remuneration Policy elucidates the types of remuneration to be offered by the Company and factors to be considered by the Board of Directors of the Company, Nomination and Remuneration Committee and management of the Company in determining the appropriate remuneration policy for the Company.

2. DEFINITIONS

Some of the key terms used in the Nomination and Remuneration Policy are as under :

- 2.1 'Board' means the Board of Directors of Sharp India Limited or the Company.
- 2.2 'Committee' means the Nomination and Remuneration Committee constituted by the Board of Directors of the Company in accordance with Section 178 of the Companies Act, 2013.
- 2.3 'Director' means a director appointed on the Board of the Company including executive; non-executive; and independent directors.
- 2.4 'Key managerial personnel' includes managing director, or Chief Executive Officer or manager and in their absence, a whole-time director; company secretary; and Chief Financial Officer.
- 2.5 'Member' means a director of the Company appointed as member of the Committee.
- 2.6 'Nomination and Remuneration Policy' shall mean the policy of remuneration of directors, key managerial personnel an senior management personnel of the Company determined by the Nomination and Remuneration Committee.
- 2.7 'Senior management' means the personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

3. NOMINATION AND REMUNERATION COMMITTEE

- 3.1 The Committee shall be formed by the Board of the Company. It shall consist of three or more non-executive directors out of which not less than one-half shall be independent directors. The Board of the Company shall nominate directors as Members of the Committee from time to time.
- 3.2 The Chairman of the Committee shall be an independent director but shall not be the Chairperson of the Company. He shall be present at the Annual General Meeting, to answer the shareholders' queries and may determine as to who should answer the queries. If the Chairperson is unable to attend the annual general meeting, any other member of the committee authorized by him in this behalf shall attend the annual general meeting

4. LETTER OF ENGAGEMENT OR CONTRACT OF EMPLOYMENT

- 4.1 Non-executive independent directors shall enter into a letter of engagement with the Company, the terms and conditions of which shall be approved by the Board. The letter of engagement shall set forth the terms and conditions of the engagement, the performance expectations for the position,

the remuneration package and added incentives for the director, if any, the availability of the latter being contingent upon fulfillment of certain expectations of the Company measured by benchmarks of performance defined by the Company.

- 4.2 Executive directors, and key managerial personnel shall enter into a contract with the Company clearly setting out the terms and conditions of the remuneration package for such person. The contract of employment shall set out the expectations for the performance, the key performance indicators, measures and criteria for assessment or evaluation of performance.
- 4.3 The Committee and the Board must approve the terms and conditions of employment for the Executive Directors and the Key Managerial Personnel at the time of their appointment and re-appointment.
- 4.4 The Company shall pay remuneration to the senior management personnel taking into account their roles and responsibilities.
- 4.5 The Board shall disclose the terms and conditions of employment of the executive directors and key managerial personnel in accordance with the law, if necessary.

5. REMUNERATION STRUCTURE

5.1 REMUNERATION TO MANAGING /EXECUTIVE DIRECTORS, AND KEY MANAGERIAL PERSONNEL:

The Board shall, in consultation with the Committee approve and finalize the form of remuneration to be offered to Executive Directors, and key managerial personnel. The remuneration package shall be composed of amounts that are fixed and may include a variable Component and the endeavour of the Board and the Committee shall be to strike a balance between the fixed and variable components and thereby promote sustainable value for the Company and its shareholders over time.

5.1.1 Fixed Remuneration

The contract of employment entered into by the executive directors and key managerial personnel with the Company shall demarcate a fixed gross monthly or annual salary or base salary payable to them. The fixed remuneration or salary shall be determined according to complexities of the position and role of the Executive Directors and key managerial personnel, the relevant laws and regulations, conditions prevalent in the labour market and the scale of the business relating to the position. The fixed remuneration will reflect the core performance requirements and expectations of the Company.

5.1.2 Performance Based Remuneration or Incentive-Based Payments

The Board in consultation with the committee may pay performance based incentive payment to the directors. The performance-based or incentive-based payments shall form part of the variable component of the salary payable to them.

5.1.3 Benefits to Executive Directors, key managerial personnel & senior management personnel

The Company shall comply with all legal and industrial obligations in determining the benefits available to executive directors, key managerial personnel & senior management personnel, namely short-term benefits such as salaries, social security contributions, and

post-employment benefits such as gratuity, pension retirement benefits etc.

5.2 REMUNERATION TO NON-EXECUTIVE DIRECTORS

The Company shall pay remuneration to non-executive directors in such a manner so as to attract and maintain high quality members on the Board. Non Executive Directors may be paid remuneration in such form as which is allowable and is within the scope and limits of the Companies Act 2013.

The Non-Executive Directors who are entitled to receive the sitting fees shall be paid remuneration by way of sitting fees which is within the limits of the Companies Act, 2013 and which are determined by the Board of Directors and this committee from time to time.

6. DISCLOSURES:

- 6.1. The Nomination and Remuneration Policy shall be disclosed in the Board's report of the Company prepared in accordance with sub-section (3) of section 134 of the Companies Act, 2013.
- 6.2. The Nomination and Remuneration Policy and the criteria for evaluation of performance or evaluation criteria as laid down by the Committee shall be disclosed in the Annual Report of the Company.
- 6.3 Payments to non-executive directors shall be disclosed in the Annual Report of the Company. Further, the number of shares and convertible instruments held by non-executive directors shall be disclosed by the Company in its Annual Report.
- 6.4 With regard to payment of remuneration, the section on the corporate governance of the Annual Report of the Company shall contain the following disclosures, namely :
 - 6.4.1 All elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc; if any.
 - 6.4.2 Details of fixed component and performance linked incentives, along with the performance criteria; if any.
 - 6.4.3 Service contracts, notice period, severance fees; if any and
 - 6.4.4 Stock option details, if any - and whether issued at a discount as well as the period over which accrued and over which exercisable, if any.

7. REVIEW AND IMPLEMENTATION

- 7.1 The Committee shall conduct an evaluation of performance for all the directors as per the provisions in the Companies Act, 2013 and the listing agreement on an annual basis to monitor and review, and if necessary, revise the appropriateness of each remuneration package.
- 7.2 The Committee shall be responsible for monitoring the implementation of the Nomination and Remuneration Policy, conducting a review of the same from time to time and advising the Board on the mode of revision of the policy.

8. AMENDMENT

The Committee reserves the right to amend or modify the Nomination and Remuneration Policy in whole or in part, at any time with reasons to be recorded in writing and placing the same in the meeting of this committee for its approval.

Annexure- C

Form No. MR-3

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2015**

[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 India Limited
Gat No. 686/4, Koregaon Bhima, Tal Shirur,
Dist. Pune - 412 216.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sharp India Limited** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2015** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder; **(in so far as they are made applicable)**
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(in so far as they are applicable to the Company)**
- (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 **(not applicable to the Company during the Audit Period);**

- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(not applicable to the Company during the Audit Period);**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(not applicable to the company during the audit period)**
- (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 to the company during the audit period.)** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(not applicable to the company during the audit period.)**

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. **(Not applicable to the Company during the audit period.)**
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s);

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

For SVD & Associates

Place: Pune
Date: 14-08-2015

Sridhar Mudaliar
Partner
FCS No. 6156
C P No. 2664

Annexure- D

Disclosures pursuant to section 197(12) of the Companies Act, 2013 & under Rule No. 5 of Companies (Appointment & Remuneration of Managerial Personnel) Rules : 2014

- (a) The Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year; 2014-2015

Name of the Director	Ratio to Median Remuneration
Mr.Sunil Kumar Sinha Chairman & Director	NIL
Mr. Tomio Isogai- Managing Director	4.65
Mr.Masahiko Nakagawasai - Executive Director	4.25
Mr. Sanjay Vaidya- Independent Director	1.08
Mr.Sanjay Asher Independent Director	0.68
Mr.Noriyuki Watanabe Independent Director	Nil
Mr. Prashant Asher Independent Director	0.51
Ms. Bhumika Batra Independent Director	0.28

- (b) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year;

Name of the Director	Percentage increase/ (decrease) in Remuneration
Mr.Sunil Kumar Sinha Chairman & Director	0.00%
Mr. Tomio Isogai Managing Director	(02.12%)
Mr.Masahiko Nakagawasai Executive Director & CFO	(01.02%)
Mr. Sanjay Vaidya Independent Director	(3.76%)
*Mr.Sanjay Asher Independent director	(29.84%)
*Mr.Noriyuki Watanabe Independent Director	0.00%
#Mr. Prashant Asher- Independent Director	-
#Ms. Bhumika Batra Independent Director	-
Mr. Mayuresh Vaze Company Secretary	10.87%

- Percentage in the bracket indicate negative percentage

Note for (a) and (b)*- Mr.Sanjay Asher & Mr.N.Watanabe has resigned as a Director w.e.f. 30th September 2014

#- Mr. Prashant Asher and Ms. Bhumika Batra have been appointed as the Additional Director as well as an Independent Director w.e.f 11th November 2014.

- (c) The Percentage increase in the median remuneration of employees in the financial year 2014-2015 : 10.00 %
- (d) The number of permanent employees on the roll of the Company as on 31-03-2015 : 143
- (e) The explanation of the relationship between the average increase in remuneration and company performance:

The increase in remuneration is based on the terms and conditions of agreement concluded between the Trade Union & the Company in case of bargainable employees. In case of management staff, general rise is given based on performance evaluation, increase

in cost of living index & industry trends etc. The Board believes that the increase in remuneration of the employees is in line with the industry.

- (f) Comparison of the remuneration of the Key Managerial Personnel against the performance of the company;)

Particulars	Rupees /Lacs
Remuneration of Key Managerial Personnel (KMP) during financial year 2014-15 (aggregated)	38.99
Mr Tomio .Isogai- 16.59 Rs. Lacs	
Mr. M. Nakagawasai- 15.18 Rs. Lacs	
Mr./Mayuresh Vaze- 07.22 Rs. Lacs	
Total Rs. 38.99 Rs. Lacs	
Revenue from Operations	18903.77
Remuneration (as % of revenue)	0.20%

- (g) variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year;

- (1) variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:

Particulars	Unit	As at 31.03.2015	As at 31.03.2014	Variation
Closing Rate of Share at Bombay Stock Exchange	In Rs.	71.90	16.28	341.65%
EPS(Consolidated)	In Rs.	0.60	1.07	(43.92%)
Market Capitalization	In Rs. Lacs	18,653.74	4,223.68	341.65%
Price Earnings Ratio	Ratio	119.83	15.21	687.83 %

- Percentage in the bracket indicate negative percentage

- (2) percentage increase or (decrease) in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies

Particulars	Unit	As at 31.03.2015	As at 21.10.1991 (Date of Last Public Offer)	Variation increase/ (decrease) in percentage
Percentage increase or (decrease) in the market quotations of the shares of the Company in comparison to the rate at which company came with the last public offer	In Rs.	71.90	10.00	619%

- Percentage in the bracket indicate negative percentage

- (h) 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

- (1) The average percentage increase in salaries of the employees other than managerial personnel in the financial year 2014-2015 was 9.62%.
- (2) The average percentage increase in the managerial remuneration for the financial year 2014-2015 was Nil

(i) Comparison of remuneration of the each Key Managerial Personnel against the performance of the Company:

Particulars	Mr. T. Isogai Managing Director Rs. In Lacs	Mr. M. Nakagawasai Executive Director & Chief Financial Officer Rs. In Lacs	Mr. Mayuresh Vaze Company Secretary Rs. In Lacs
Remuneration of each of the Key Managerial Personnel (KMP) during financial year 2014-15	16.59	15.18	7.22
Revenue from Operations	18,903.77	18,903.77	18,903.77
Remuneration (as % of revenue)	0.09%	0.08%	0.04%

(j) the key parameters for any variable component of remuneration availed by the directors;

Company does not pay any variable component of remuneration to any of its directors.

(k) the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;

Not applicable.

(l) affirmation that the remuneration is as per the remuneration policy of the Company. The Company affirms that the remuneration paid is as per the remuneration policy of the Company.

Annexure- E FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the 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
1)	Name (s) of the related party & nature of relationship	nil
2)	Nature of contracts/arrangements/transaction	nil
3)	Duration of the contracts/arrangements/transaction	nil
4)	Salient terms of the contracts or arrangements or transaction including the value, if any	nil
5)	Justification for entering into such contracts or arrangements or transactions'	nil
6)	Date of approval by the Board	nil
7)	Amount paid as advances, if any	nil
8)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	nil

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

SL. No.	Particulars	Details	Details
1	Name (s) of the related party & nature of relationship	Sharp Electronics (Malaysia) SDN BHD- Malaysia - Fellow Subsidiary	Sharp Business Systems (India) Private Limited- Fellow Subsidiary
2	Nature of contracts/ arrangements/transaction	Purchases of raw Material Component For CT, LED TV and Air conditioners and Purchases of Spares	Sale of LED TVs and Air Conditioners
3	Duration of the contracts/ arrangements/transaction	01.04.2014 to 31.03.2015	01.04.2014 to 31.03.2015
4	Salient terms of the contracts or arrangements or transaction including the value, if any (Rupees in Lacs)	8530.11	18681.54
5	Date of approval by the Board, if any	-	-
6	Amount paid as advances, if any (Rupees in Lacs)	0.00	0.00

For Sharp India Limited

For Sharp India Limited

Mr. T. Isogai
Managing Director
DIN : 03426524

Mr. M. Nakagawasai
Executive Director
DIN : 05274985

MANAGEMENT DISCUSSION & ANALYSIS

Based on the latest estimates, the Indian economy witnessed a moderate growth rate of around 7.4.% in the fiscal 2014- 2015 as compared to 6.9% in the fiscal 2013-2014. Inflation remained moderate and whole sale price and consumer price inflation declined to 4.2.% and 7.4.% respectively as compared to 6.3% and 10.1% in the last year. Reduction in inflation, fall in the crude oil prices, stability of rupee, improvement in the purchasing power, higher capital inflows which were supported by the government policy reforms have put India on the path of the economic growth.

India's GDP growth in the year 2015-16 is expected to be around 8%.

INDUSTRY STRUCTURE & DEVELOPMENT:

Your Company is principally engaged in the manufacture and sale of liquid crystal display televisions (LED TVs) and Air Conditioners (AC).

Televisions:

The Indian television industry has undergone significant changes, in the recent times. In the television segment, penetration of Flat Panel Displays (FPD) has been huge with wall mounted TVs now are accounting for the major share of the market.

Over the past few years FPD TVs have made progress which is featured by new designs and systems. Digitalization of broad cast, reduced replacement cycles and increase in affordability is driving growth in the Indian FPD Market. A key future trend is the transformation of a TV into a multifunctional computing and broadcasting medium with many smart features.

The FPD TV market in India is estimated at 8.75 million units in 2014, an increase of 30% over 2013.

Air Conditioners:

Technology is rapidly changing the scenario of the cooling systems. Over the last few years the Air Conditioners (ACs) have greatly benefited from the advancement of the technology. The Air conditioning industry is expecting to see more features added that reduce energy costs and impact the environment. Now a days with new latest technologies, health care benefits & energy efficiency, consumers are more aware of their necessities with a wide variety of brand and products available in the market.

The AC market is witnessing an increase in green technologies. The manufacturers are moving towards eco-friendly & cost effective air conditioning systems. The Sales of Inverter Type ACs is also gaining momentum

The Indian AC market in 2014 is estimated at 3.6 million units a five percent increase over 2013.

OPPORTUNITIES AND THREATS :

Opportunity:

Consumer Durable Industry has good opportunity to grow due to following reasons:

(1) In India, penetration of consumer durable goods is lower as compared to other developed countries and there is untapped demand for the same. (2) Huge untapped rural market with better purchasing power due to increase in agricultural income has huge demand potential.. (3) Increase in online sale of the products is also driving factor for this industry in last few years. (4) Consumer awareness and preference for new, latest technology models have increased the consumer aspirations for the consumer durable products like air conditioners and big size LED TVs..(2) Attractive financing schemes have fuelled the rising aspirations, driving demand.(3) Phenomenal growth of media in India, flurry of television channels and rising popularity of films have spread awareness of televisions in the remote markets also.

Threats:

(1)Rising input cost of raw materials is putting pressures on margins. Due to stiff competition, there is a constant pressure for reducing the selling prices. (2) The Cost of marketing, advertising and after sale services is increasing tremendously. (3)Since most of the components are imported, the exchange rate volatility is increasing the import cost. (4) Rapid changes in technologies & consumer preferences is making product life cycle short. (5) Fluctuating and seasonal demand.(6) The new emerging local brands with low cost of manufacturing are offering the products at low & attractive prices.

Outlook:

Indian economy is now moving towards one of the fast growing economies of the world. Rise in the income & employment is resulting into rise in disposable income and also due to lower penetration in rural market the consumer durable industry is on a growth trajectory. The consumer durable products are becoming necessity rather than a luxury due to change in the socio - economic pattern of the society. Your Company is also exploring the possibility of manufacturing of other home appliances. All these will definitely help us to put our best foot forward with respect to competition.

Risks & Concerns:

The risk associated with the consumer electronics are:-

(a) Online sale of the products has started affecting the business of retail dealers and this may create a question of their stability and existence in the market. (b) The Consumer Electronics and Home Appliances business is highly competitive and volatile and thereby making it difficult for companies to increase the bottom line. (b) Since most of the raw material & components are imported, there is exchange fluctuation risk in case of abnormal exchange rate fluctuation (c) There is a risk of obsolescence of technology due to changes in the technology

in a short time span. (d) Striking a balance between increasing input cost & pressure on prices. (e) Keeping pace, making necessary changes and up gradations in the products along with the ever changing consumer preferences is also a challenge & concern for your company. (f) The demand for Air Conditioner is subject to seasonal variation.

The management is aware of these risks and has been taking steps to minimize the same.

FINANCIAL AND OPERATIONAL PERFORMANCE:

The financial highlights for the fiscal 2014-2015 are dealt with in the Directors' Report. During the current year under review, your company has made a reasonable profit of around Rupees 156.36 Lacs mainly due to the Sales of Air Conditioners.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Your Company has in place adequate systems of internal financial and other controls commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance of corporate policies.

The internal audit is based on an internal audit plan, which is reviewed each year in consultation with the audit committee. The audit committee reviews audit reports submitted by the internal auditors. Suggestions for improvement are considered and the audit committee follows up on corrective action.

HUMAN RESOURCES:

Your company continues to maintain a cordial and healthy atmosphere with the employees at all levels.

Your company considers the quality of its human resources to be the most important asset and places emphasis on training and development of employees at all levels. Company ensures equal opportunities to the employees to excel in their work and advance themselves in their carrier depending on their abilities. It commits itself to grow hand-in-hand with its employees, encouraging and aiding them to reach their full potential and improve their standard of living.

Industrial relations were cordial during the year under review. The total number of employees as on March 31, 2015 is 143.

CAUTIONERY STATEMENT :

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be treated as 'Forward Looking Statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a down trend in consumer durable industry, significant changes in government policies, laws and political environment in India or abroad and also exchange rate fluctuations, interest and other costs.

CORPORATE GOVERNANCE

Corporate Governance contains a set of principles, process and systems to be followed by Directors, Management and all Employees of the Company for increasing the shareholders' value, keeping in view interest of other stakeholders. While adhering to the above, the Company is committed to integrity, accountability, transparency and compliance with laws in all dealings with the Government, customers, suppliers, employees and other stakeholders. The necessary information as stipulated by clause 49 of the Listing Agreement is incorporated in the present annual report at appropriate places to ensure adequate disclosures. Towards this end, the information given under this section, the 'Management Discussion and Analysis' and the 'Shareholder Information' together constitute the report on Corporate Governance for the financial year 2014 -2015.

- COMPOSITION OF THE BOARD :**

The Board of Directors of the Company represents an optimum

combination of Executive Directors, Non - Executive directors and Independent Directors as required under clause 49 of the listing agreement. The total strength of the directors is Six.. There are three Directors relating to the promoters and out of which two are Executive Directors comprising of Managing Director & an Executive Director and one Non Executive Director. There are three Non Executive Independent Directors.. The details of number of meetings held and attended by the directors and other related information is given in Table 1.

The Board Meetings are generally held in Pune. During the financial year, 4 (Four) Board Meetings were held on 26/05/2014, 06/08/2014, 11/11/2014, & 07/02/2015. respectively and the time gap between two consecutive meetings did not exceed four months. Table 1 gives the composition of the Board, the category of the Directors, their attendance record and the number of other directorships held by them.

Table 1: Details about Board of Directors and their Board Meeting etc. , attendance & committee membership /Chairmanship details during the year 2014- 2015 :

Name of Director	Category	Number of Board Meetings held	Number of Board Meetings Attended	Whether attended last AGM	No. of directorships of other public limited companies	Number of Committees in which Chairman / Member (Other than Sharp India Limited)	
						Chairman	Member
a) @Mr. S.K.Sinha.	Non Executive Chairman	4	2	No	0	0	0
b) Mr.T. Isogai	Executive	4	4	Yes	0	0	0
c) Mr. M.Nakagawasai	Executive	4	4	Yes	0	0	0
d) ** Mr.N.Watanabe	Non Executive Independent	4	0	No	1	1	1
e) +Mr. Sanjay Vaidya	Non Executive Independent	4	4	Yes	7	3	6
f) **Mr. Sanjay Asher	Non Executive Independent	4	2	No	*16	3	8
g) \$ Mr. Prashant Asher	Non Executive Independent	4	2	No	4	0	3
h) \$ Ms. Bhumika Batra	Non Executive Independent	4	2	No	6	0	2

Notes :

- (1) @Mr.S.K.Sinha resigned as an Executive Director of the Company w.e.f.30th September 2014.
- (2) **Mr.Sanjay Asher and Mr.Noriyuki Watanabe has resigned as a Director of the Company w.e.f 30th September 2014. * - it includes alternate directorship of Mr.Sanjay Asher.
- (3) \$ Mr.Prashant Asher & Ms. Bhumika Batra have been appointed as an Additional Director as well as as an independent director w.e.f 11th November 2014.
- (4) None of the directors is a Member of more than 10 Board level committees of the public Companies in which they are directors or is a Chairman of more than 5 such committees as included for the purposes of Corporate Governance laid down by Listing agreement. For this purpose Audit Committee & Stakeholder's Relationship & Share Transfer Committee only have been considered as stipulated in clause 49 of the listing agreement.

Criteria for Performance Evaluation of Directors: :**i. Qualifications of Director:**

A director shall possess appropriate skills, experience and knowledge in one or more fields of engineering, finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the Company's business.

ii. Positive attributes of Directors:

A director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards

of integrity and probity; act objectively and constructively; exercise his responsibilities in a bona-fide manner in the interest of the Company; devote sufficient time and attention to his professional obligations for informed and balanced decision making; and assist the Company in implementing the best corporate governance practices.

iii. Independence of Independent Directors:

An Independent director should meet the requirements of the Companies Act, 2013 and Clause 49 of the Listing Agreement concerning independence of directors."

**DIRECTORS' ATTENDANCE RECORD FOR AUDIT AND NOMINATION & REMUNERATION COMMITTEE MEETINGS
DURING THE FINANCIAL YEAR 2014-2015 :**

Name of Director	Audit Committee Meetings			Nomination & Remuneration Committee Meetings		
	Number of Meetings Held	Number of Meetings Attended	Position Held	Number of Meetings Held	Number of Meetings Attended	Position Held
a) Mr. S S Vaidya	4	4	Chairman	3	3	Member
b) Mr.Sanjay Asher.	4	2	Member	3	2	Member
c) Mr.N.Watanabe	4	0	Member	3	0	Chairman
d) Mr. Prashant Asher.	4	2	Member	3	1	Member
e) Ms. Bhumika Batra	4	2	Member	3	1	*Chairman

- -Ms. Bhimika Batra has been appointed as the Chairman of the Nomination & Remuneration Committee w.e.f 11th November 2014.

Meeting of Independent Directors: The meeting of Independent Directors' was held on Saturday, 28th March 2015 to discuss, (a) performance of Non-Independent Directors and the Board as a whole; (b) the performance of the Chairman of the Company, taking into account the views of Executive Director and Non-Executive Directors; (c) the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Familiarization Program of Independent Directors: The details of the Familiarization program of independent directors is available on the website of the Company: www.sharpindialimited.com

• **INFORMATION SUPPLIED TO THE BOARD :**

Information supplied to the Board includes-

- Quarterly and annual results of the Company
- Annual operating plans and budgets , capital budgets , updates
- Minutes of board meetings and committees thereof
- Compliance of statutory and regulatory nature, listing requirements and investor grievances, if any and shareholder-services
- Disclosures pertaining clause 49 of the Listing Agreement.
- Important show cause notices and demand notices.
- Other information as required to be put before the Board under the Companies Act 2013.

AUDIT COMMITTEE :

Composition of the Committee etc.:

The Audit Committee consisted of three non executive independent directors of the Company at the beginning of the year. It consisted of Mr. Sanjay Vaidya (Chairman), Mr. Sanjay Asher , and Mr. N. Watanabe as the members. Mr. Sanjay Asher and Mr. N. Watanabe resigned as the directors of the Company w.e.f. 30th September 2014 and hence Mr. Sanjay Asher and Mr. N. Watanabe also ceased to be the member of this committee. Mr. Prashant Asher and Ms. Bhumika Batra were appointed as an additional director as well as the non executive independent directors of the Company w.e.f 11th November 2014. The Committee was reconstituted on 11th November 2014 by inducting Mr. Prashant Asher and Ms. Bhumika Batra as the members of this committee and since then this committee consists of Mr. Sanjay Vaidya (Chairman) , Mr. Prashant Asher and Ms. Bhumika Batra as the members of this committee.. The Audit Committee met 4 (four) times in the year on May 26 2014, August 6, 2014, November, 11, 2014 and February 7, 2015. The Audit Committee Chairman, Mr.Sanjay Vaidya attended the last annual general meeting held on 22nd September 2014 . The Company Secretary also acts as the Secretary of this Committee.The attendance of the committee members is given in the separate table attached .The Audit Committee inter alia reviews on quarterly basis the reports submitted by Internal Auditors, Unaudited and Audited Financial Results and also reviews the matters falling within the scope of the committee as defined by the Board of Directors. The terms of references of the Audit Committee have been widened considering the provisions in the New Companies Act, 2013 and the listing agreement.

Terms of References of the Audit Committee:

The terms of references of the Audit Committee inter -alia includes:

- the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- review and monitor the auditor's independence and performance, and effectiveness of audit process;
- examination of the financial statement and the auditors' report thereon;
- approval or any subsequent modification of transactions of the company with related parties;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the company, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- monitoring the end use of funds raised through public offers and related matters.
- Such other matters as are required to be mandatorily reviewed by the Audit Committee, and also the matters which are within the powers, role & scope of the Audit Committee and as defined in the Companies Act 2013 and the listing agreement.

NOMINATION & REMUNERATION COMMITTEE :

Composition of the Committee etc.:

The Committee consisted of three Non-Executive Independent Directors at the beginning of the financial year - Mr N. Watanabe ,(Chairman), and Mr. Sanjay Vaidya and Mr. Sanjay Asher as the members. Mr. N. Watanabe and Mr. Sanjay Asher resigned as the directors of the Company w.e.f. 30th September 2014 and hence Mr. Sanjay Asher ceased to be the member of the Committee and Mr. N. Watanabe ceased to be the member as well as the Chairman of this committee. Mr. Prashant Asher and Ms. Bhumika Batra were appointed as an additional director as well as the non executive independent directors of the Company w.e.f 11th November 2014. The Committee was reconstituted on 11th November 2014 by inducting Mr. Prashant Asher as the member and Ms. Bhumika Batra as the Chairman of this committee and since then this committee consists of Ms. Bhumika Batra (Chairman) and Mr. Sanjay Vaidya and Mr. Prashant Asher as the members. Three meetings of the Committee were held during the year on 26th May 2014, 15th September, 2014 and 7th February 2015. The attendance of the committee members is given in the separate table attached and the remuneration paid to the directors is provided elsewhere in this report.

Terms of References of Nomination & Remuneration Committee :

The terms of reference of the Nomination and Remuneration Committee include the matters specified under Clause 49 (IV) of the Listing Agreement entered into with the stock exchanges as well as those in Section 178 of the Companies Act, 2013 and inter-alia includes the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the

- Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- ii. Formulation of criteria for evaluation of Independent Directors and the Board;
 - iii. Devising a policy on Board diversity;
 - iv. Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance;
 - v. Formulation of policy relating to the remuneration for the Directors, Key Managerial Personnel and Senior Management involving a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

'Remuneration Policy: Remuneration policy adopted by the Committee has been given separately as an Annexure- B to the Directors Report. .

DIRECTORS' MATERIAL PECUNIARY OR BUSINESS RELATIONSHIP WITH THE COMPANY:

There have been no transactions or pecuniary relationships between the company and its Non-Executive and/or Independent directors during the year 2014 -2015.No payment other than the sitting fees was made to any of the Non- Executive Independent Directors. Mr.S.K.Sinha holds 10,260 shares & Mr. Sanjay Asher holds 100 equity shares of the Company , no other director holds shares in the company.

REMUNERATION TO DIRECTORS :

The details of the remuneration package for the financial year 2014-2015 of directors and relationship, if any are given in the following table:

Table 2

Name of the Director	Relationship With other Directors	Sitting Fees (Rs.)	Salaries & Perquisites (Rs.)	Total (Rs.)
Mr.S.K.Sinha	None	Nil	Nil	Nil
Mr.T.Isogai	None	Nil	16,59,710	16,59,710
Mr.M.Nakagawasai	None	Nil	15,18,000	15,18,000
Mr.N.Watanabe	None	Nil	Nil	Nil
Mr.Sanjay Vaidya	None	3,87,642	Nil	3,87,642
Mr.Sanjay Asher	None	2,44,383	Nil	2,44,383
Mr.Prashant Asher	None	1,85,394	Nil	1,85,394
Ms.Bhumika Batra	None	1,01,124	Nil	1,01,124

The payments made to the Executive Directors & Managing Directors are in the nature of salary and perquisites as approved by the Remuneration Committee ,the shareholders and if required by the Central Government as required by the Companies Act, and other applicable regulations. No other benefits/ stock options/ bonuses, pensions are given to any of the Directors. There is no fixed component and performance linked incentive. The company has entered into the service agreement with the managing director and executive director and the notice period for termination of agreement is three months or as decided mutually. There are no severance fees payable to the Executive Directors and Managing Director. The Company has not issued any stock options or any other convertible instruments to any of its Directors. The Company does not pay any remuneration to the non executive independent directors except sitting fees. Rs. 20,000/- are paid as sitting fees for attending every board meeting & audit committee meeting, Rs. 10,000/- are paid for attending every nomination |& remuneration committee meeting and Rs. 7,500/- are paid for attending every stakeholder's relationship and share transfer committee meeting.

STAKEHOLDER'S RELATIONSHIP AND SHARE TRANSFER COMMITTEE:

The Committee handles redressal of shareholders' and investors' complaints and oversees transfer of shares as well. The Committee consisted of Mr. Sanjay Asher (Chairman),and Mr. Sanjay Vaidya ,

T. Isogai and Mr. M. Nakagawasai as the members at the beginning of the year. Mr. Sanjay Asher resigned as the Director of the Company w.e.f 30th September 2014 and hence ceased to be the Chairman & member of this committee. Mr. Prashant Asher was inducted as an additional director as well as the non executive independent director of the Company w.e.f 11th November 2014. The Committee was re-constituted on 11th November 2014 by inducting Mr. Prashant Asher as the member & Chairman of this committee and since then the committee consists of Mr.Prashant Asher- Chairman, Mr. Sanjay Vaidya , Mr. T. Isogai and Mr. M. Nakagawasai as the members. The status of complaints is reported to the Committee as well as the Board of Directors. The Committee met 26 times during the year 2014 - 2015.All the members of the Committee were present for all the committee meetings held during the year. All queries pertaining to non-receipt of annual reports, transfer of shares, duplicate share certificates, change of address, dematerialization, rematerialization of shares, etc. were resolved to the satisfaction of the shareholders / investors. No investor complaints were received by the committee during the year under review.

Mr. Mayuresh Vaze, Company Secretary is the Compliance Officer. The Board has authorized Mr. Mayuresh Vaze to expedite process of share transfer and investors' grievances redressal.

The Stakeholders Relationship and Share Transfer Committee has been delegated the powers to consider the transfer and transmission related issues etc. and meets to look after share transfer process and redressal of investor's complaints. M/s. Link Intime India Private Limited, Pune ,the Registrar & Transfer Agents conduct the share transfer and related work.

MANAGEMENT DISCUSSION AND ANALYSIS :

A separate chapter on Management Discussion & Analysis is incorporated in the Annual Report.

AFFIRMATION OF COMPLIANCE OF CODE OF CONDUCT

The Board of Directors of the company has laid down a Code of conduct for all its Board Members and the Senior Management Personnel of the Company. All the Board Members and Senior Management Personnel of the Company have affirmed compliance of the said Code of Conduct and I hereby confirm the same.

Sd/-

Managing Director

The Code of Conduct has been posted on the company's website: www.sharpindialimited.com.

DETAILS OF GENERAL BODY MEETINGS FOR LAST THREE YEARS:

Financial Year	Date	Time	Venue
March 31, 2012	September 25, 2012	11:00 a.m.	Registered Office
March 31, 2013	September 16, 2013	11:00 a.m.	Registered Office
*March 31, 2013	September 23, 2013	11:00 a.m.	Registered Office
March 31, 2014	September 22, 2014	11:00 a.m.	Registered Office

*Adjourned 28th Annual General Meeting was held on 23rd September 2013 .

Special Resolutions during last three years:

(1) Three special resolutions were passed in the 29th Annual General Meeting held on 22nd September 2014 : (a) Special Resolution under section 180(1) (c) of the Companies Act, 2013 giving authority to the Board of Directors to borrow the Money (b) Special Resolution under section 180(1) (a) of the Companies Act, 2013 giving authority to the Board of Directors to create charges, mortgages , hypothecation etc.(C) Special Resolution passed as required under clause 49 of the listing agreement to approve the Material Related Party Transactions for the period of three years- 01.10.2014 to 30.09.2017.(2)A special resolution was passed in the adjourned 28th annual general meeting held on 23rd September 2013 for the appointment of Mr. T. Isogai as the Managing Director of the company.(3)A special resolution was passed in the 27th annual general meeting held on 25th September 2012 for the appointment of Mr. M.Nakagawasai as the Executive Director of the company

DISCLOSURES

(1) There are no significant related party transactions made by the Company of material nature, with its directors or their relatives,

the management or any relative of the Senior Management personnel that may have potential conflict with the interests of the Company.

- (2) There has been no instances of non-compliance by the Company. There are no penalties, strictures imposed on the Company by any Stock Exchange or SEBI or any statutory authority on any matter related to capital market, during the last year.
- (3) Company has adopted and implemented the Whistle Blower Policy. The same has been posted on the website of the Company- www.sharpindialimited.com . No personnel has been denied access to the Audit Committee.
- (4) The Policy on Related Party Transactions has been posted on the website of the Company- www.sharpindialimited.com
- (5) The Company has complied with all mandatory requirements of the clause 49 of the listing agreement and it has adopted the following non-mandatory requirements
- (i) A company has appointed separate persons to the post of Chairman and Managing Director (ii) There are no qualifications on the financial statements of the company for the year ended 31st March 2015 made by the statutory auditors in their audit report.

MEANS OF COMMUNICATION TO SHAREHOLDERS ETC.:

The Company has its own website- www.sharpindialimited.com - for the benefit of the various stakeholders like investors and public at large. The Shareholding Pattern, Unaudited and Audited Financial Results, Annual Reports, Whistle Blower Policy etc. Notices of General meetings, Voting results of the general meetings, etc. are uploaded on the company's website. The quarterly unaudited results and audited yearly results are published generally in, Financial Express (English Daily) and LokSatta (Marathi daily). The shareholders can seek communication with the Company on the email address dedicated for investor communication - mayuresh.vaze@sil.sharp-world.com

ADDITIONAL INFORMATION TO SHAREHOLDERS

1. ANNUAL GENERAL MEETING :

- Day & Date : Wednesday, 30th September 2015
Time : 11:00 a.m.
Venue : Registered Office of the Company at Gat No.686/4, Koregaon Bhima, Tal. Shirur, Dist. Pune 412 216

2. FINANCIAL YEAR : April 1 to March 31

3. BOOK CLOSURE : The Books will be closed from Saturday, 19th September 2015 to Wednesday, 30th September 2015 (both days inclusive) as Annual Closure for the Annual General Meeting.

4. FINANCIAL CALENDAR - (Tentative and subject to change)

- : Results for quarter ending June 30, 2015 -Last week of July 2015
- : Results for quarter and half-year ending September 30, 2015 - Last week of October 2015
- : Results for quarter and nine months ending December 2015 - Last week of January 2016
- : Results for the year ending March 31, 2016
_ Last Week of May 2016.

5. LISTING ON STOCK EXCHANGES :

The shares of the Company are listed on Bombay Stock Exchange Limited (BSE).

The Company has paid the Listing fees for the year 2015-2016 to BSE in the prescribed time .

6. STOCK CODE AND ISIN

- Stock codes : Bombay Stock Exchange Limited : 523449
ISIN : INE207B01011 with NSDL and CDSL

7. MARKET PRICE DATA :

The monthly High and Low prices of the Equity Shares of the Company quoted on the Bombay Stock Exchange Limited along with the monthly Sensex for the year 2014 - 2015 is given below.

Table 3

MONTH	HIGH (Rs.)	LOW (Rs.)	BSE Sensex	
			High	Low
April 2014	18.65	15.60	22,939.31	22,197.51
May 2014	22.40	15.25	25,375.63	22,277.04
June 2014	53.10	23.50	25,725.12	24,270.20
July 2014	79.95	43.15	26,300.17	24,892.00
August 2014	92.20	56.50	26,674.38	25,232.82
September 2014	83.50	63.00	27,354.99	26,220.49
October 2014	71.90	58.05	27,894.32	25,910.77
November 2014	76.90	53.65	28,822.37	27,739.56
December 2014	73.40	50.05	28,809.64	26,469.42
January 2015	89.50	65.35	29,844.16	26,776.12
February 2015	87.40	68.00	29,560.32	28,044.49
March 2015	78.90	64.10	30,024.74	27,248.45

8. REGISTRAR AND SHARE TRANSFER AGENTS AND SHARE TRANSFER SYSTEM :

Link Intime India Private Limited, are the Registrar and Share Transfer Agents of the Company (R & T Agents). They deal with all matters pertaining to transfers, transmissions, subdivisions and consolidation of Company's securities and also correspondence for holdings in Physical or Dematerialized form of shares and replying to investor queries. It may be noted that the requests for demat of shares should be made by the investors to their respective depository participants. There are no legal proceedings against the Company on any share transfer matter.

9. SHAREHOLDING PATTERN (as on March 31, 2015) :

Category	No of Shares Held	Percentage to Total (%)
Promoters	19458000	75.0000
Mutual Funds	1700	00.0066
Financial Institutions /Banks	2000	00.0077
Foreign Institutional Investors	1200	00.0046
Bodies Corporate	489097	01.8852
Individuals upto 1 Lakhs	3588876	13.8332
Individuals above 1 Lakhs	2204100	08.4956
Clearing Members	59639	00.2299
Non - Resident Indian (Repat)	98475	00.3796
Non Resident Indians (Non-Repat)	40413	00.1558
Hindu Undivided Family	500	00.0019
TOTAL	25944000	100.0000

10. Distribution of Shareholding as on March 31, 2015:

Shareholding of Nominal Value of		Share		Share Amount	
Rs.	Rs.	Number of Shareholders	% to Total	In Rs.	% to Total
(1)	(2)	(3)	(4)	(4)	(5)
Upto 5,000		11948	90.35	16204800	06.24
5,001 - 10,000		576	04.35	4887790	01.88
10,001 - 20,000		305	02.30	4755230	01.83
20,001 - 30,000		126	00.95	3338270	01.28
30,001 - 40,000		50	00.37	1833320	00.70
40,001 - 50,000		54	00.40	2564730	00.98
50,001 - 100,000		79	00.59	5955220	02.29
100,001 and above		85	00.64	219900640	84.75
TOTAL		13223	100.00	259440000	100.00

11. Dematerialisation :

The Company's Equity Shares are under compulsory dematerialized (demat) mode of trading. As on March 31, 2015, shares in dematerialized form accounted for 96.26 % of total equity shares.

12. Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and their likely impact on Equity:

There are no outstanding GDRs / ADRs / Warrants or other instruments.

13. Plant Location : Gat No.686/4., Koregoan Bhima, Taluka: Shirur, District: Pune - 412 216**14. Address for Investor Correspondence :**

- 1) Secretarial Department,
Sharp India Limited,
Gat No.686/4, Koregaon Bhima,
Tal. Shirur, Dist. Pune 412 216
Phone No. (02137) 252417
Fax No. (02137) 252453
Email: mayuresh.vaze@sil.sharp-world.com
- 2) Link Intime India Private Limited
202, 2nd Floor Akshay Complex,
Off. Dhole Patil Road, Near Ganesh Mandir,
Pune- 411 001
Tel: (020) 26161629
Fax: No.(020)- 2616 3503
Email: 'pune@linkintime.co.in'

CERTIFICATE ON CORPORATE GOVERNANCE - MARCH 31, 2015

To,
The Members of Sharp India Limited

We have examined the compliance of conditions of Corporate Governance by Sharp India Limited for the year ended March 31, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that as per the records maintained, no investor grievances against the Company are pending for a period exceeding one month before shareholders/Investors Grievance Committee.

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

**For SVD & Associates
Company Secretaries**

**Sridhar G. Mudaliar
Partner**

Date: 14th August, 2015
Place : Pune

Membership No.: FCS-6156
C P No : 2664

INDEPENDENT AUDITORS' REPORT

To

The Members of Sharp India Limited

Report on the Standalone Financial Statements

We have audited the accompanying financial statements of Sharp India Limited (the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone 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 accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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, 2015, its profit, and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2015 (the "Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, and 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, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164 (2) of the Act;
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 28 to the financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts - Refer Note 6 and 7 to the financial statements;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E

per Paul Alvares

Partner

Place of Signature : Pune

Date : May 26, 2015

Membership Number: 105754

Annexure referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Sharp India Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by management during the year and no material discrepancies were identified on such verification.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory followed by management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. Discrepancies noted on physical verification of inventories were not material, and have been properly dealt with in the books of account.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a) and (b) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods. The nature of business of the Company does not involve sale of services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the company in respect of these areas.
- (v) The Company has not accepted any deposits from the public.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the products of the Company.
- (vii) (a) Undisputed statutory dues including provident fund, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though 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, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, value added tax, cess and other material 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 records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Including interest & penalty) (Rs.)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act 1944	MODVAT on WIP destroyed in fire	3,504,746	1999-2000	Customs/Central Excise and Service Tax Appellate Tribunal, Mumbai
Central Excise Act 1944	Remission of excise duty on finished goods destroyed in fire	7,778,232	1999-2000	Customs/Central Excise and Service Tax Appellate Tribunal
Service Tax (Finance Act 1994)	Service tax credit availed on repair & maintenance services provided by companies	8,296,609	August 2003 to September 2011	Customs/Central Excise and Service Tax Appellate Tribunal
Service Tax (Finance Act 1994)	Non-reversal of CENVAT credit availed on input service availed, when inputs are removed as such	676,500	2006-07 & 2010-11	Additional Commissioner of central Excise, Pune III Commissionerate
Service Tax (Finance Act 1994)	Non-reversal of CENVAT credit availed on input services availed for the procurements and sale of traded goods	4,739,171	April 2007 to March 2011	Additional Commissioner of central Excise, Pune III Commissionerate
Customs Act, 1962	Demand notice for import of refrigerators	3,625,949 (This amount has been deposited with the tax authorities)	April 2008 to September 2008	Customs/Central Excise and Service Tax Appellate Tribunal
Customs Act, 1962	Provisional assessment for import of refrigerators	1,778,289 (This amount has been deposited with the tax authorities)	October 2008 to December 2008	Customs/Central Excise and Service Tax Appellate Tribunal

- (d) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- (viii) The Company's accumulated losses at the end of the financial year are more than fifty percent of its net worth. The Company has not incurred cash loss during the current as well as the previous year.
- (ix) Based on our audit procedures and as per the information and explanations given by management, we are of the opinion that the Company has not defaulted in repayment of dues to a bank. The Company did not have any dues payable to a financial institution or debenture holders during the year.
- (x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xi) Based on the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E

per Paul Alvares
Partner
Membership Number: 105754

Place of Signature : Pune
Date : May 26, 2015

BALANCE SHEET AS AT MARCH 31, 2015
(All amounts in Lakhs of Rupees, unless otherwise stated)

Particulars	Note No	As at March 31, 2015 (Rs. Lakhs)	As at March 31, 2014 (Rs. Lakhs)
<u>EQUITY AND LIABILITIES</u>			
Shareholders' Funds			
Share capital	3	2,594.40	2,594.40
Reserves and surplus	4	113.91	(42.46)
		<u>2,708.31</u>	<u>2,551.94</u>
Non-Current Liabilities			
Long Term Borrowings	5	1,584.11	1,884.11
Long term provisions	6	157.86	63.88
		<u>1,741.97</u>	<u>1,947.99</u>
Current Liabilities			
Short term borrowings	5	300.00	-
Trade payables	7	4,591.76	6,512.48
Other current liabilities	7	86.41	193.20
Short term provisions	6	29.12	19.16
		<u>5,007.29</u>	<u>6,724.84</u>
Total		<u><u>9,457.57</u></u>	<u><u>11,224.77</u></u>
<u>ASSETS</u>			
Non Current Assets			
Fixed assets			
Tangible assets	8	1,930.06	2,398.16
Intangible assets	8	231.62	319.84
Capital work in progress		13.05	-
Loans and advances	9	15.09	16.09
Trade receivables	10	-	-
		<u>2,189.82</u>	<u>2,734.09</u>
Current Assets			
Loans and advances	9	229.30	287.04
Trade receivables	10	1,738.40	4,984.23
Other current assets	11	10.08	10.13
Inventories	12	4,056.83	2,665.90
Cash and bank balances	13	1,233.14	543.38
		<u>7,267.75</u>	<u>8,490.68</u>
Total		<u><u>9,457.57</u></u>	<u><u>11,224.77</u></u>
Summary of significant accounting policies	2.1		

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

As per our report of even date

**For and on behalf of the Board of Directors of
Sharp India Limited**

FOR S R B C & CO LLP
Firm Registration No. 324982E
Chartered Accountants

per Paul Alvares
Partner
Membership No. 105754

T. Isogai
Managing Director

M. Nakagawasai
Executive Director

M. Vaze
Company Secretary

Place : Pune
Date : May 26, 2015

Place : Pune
Date : May 26, 2015

Place : Pune
Date : May 26, 2015

Place : Pune
Date : May 26, 2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

(All amounts in Lakhs of Rupees, unless otherwise stated)

Particulars	Note No	For the year ended March 31, 2015 (Rs. Lakhs)	For the year ended March 31, 2014 (Rs. Lakhs)
Income			
Revenue from operations (gross)	14	21,800.75	17,810.36
Less: excise duty		(2,896.98)	(2,381.52)
Revenue from operations (net)		18,903.77	15,428.84
Other income	15	24.57	2.66
Total revenue		<u>18,928.34</u>	<u>15,431.50</u>
Expenses			
Cost of raw material and components consumed	16	15,227.96	11,944.75
(Increase)/decrease in inventories of finished goods and work-in-progress	17	(175.83)	(38.34)
Employee benefits expense	18	1,031.81	808.41
Other expenses	19	1,751.41	1,746.54
		<u>17,835.35</u>	<u>14,461.36</u>
Earnings before finance cost, tax, depreciation and amortization expense		1,092.99	970.14
Depreciation and amortisation expenses	20	773.18	557.89
Finance costs	21	163.39	135.08
Profit/ (loss) before tax		156.42	277.18
Tax expenses			
Wealth tax		0.06	0.14
Total tax expense		0.06	0.14
Profit/ (loss) for the year		<u>156.36</u>	<u>277.04</u>
Earnings per equity share [nominal value of share Rs.10 (31 March, 2014 : Rs. 10)]			
Basic and diluted	22	0.60	1.07
Summary of significant accounting policies	2.1		

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

As per our report of even date

**For and on behalf of the Board of Directors of
Sharp India Limited**

FOR S R B C & CO LLP
Firm Registration No. 324982E
Chartered Accountants

per Paul Alvares
Partner
Membership No. 105754

T. Isogai
Managing Director

M. Nakagawasai
Executive Director

M. Vaze
Company Secretary

Place : Pune
Date : May 26, 2015

Place : Pune
Date : May 26, 2015

Place : Pune
Date : May 26, 2015

Place : Pune
Date : May 26, 2015

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

(All amounts in Lakhs of Rupees, unless otherwise stated)

Particulars	31 March 2015 (Rs. Lakhs)	31 March 2014 (Rs. Lakhs)
A. Cash flow from operating activities		
Net profit as per statement of profit and loss	156.42	277.17
Adjustment for taxation	–	–
Profit before tax	156.42	277.17
Non-cash adjustment to reconcile profit before tax to net cash flows		
Sundry credit balances written back (net)	(18.86)	–
Profit on sale of fixed assets	(5.71)	(0.36)
Provision no longer required written back	–	(0.07)
Depreciation	773.18	557.89
Finance Costs	163.39	135.08
Unrealised exchange differences	20.65	–
	932.65	692.54
Operating profit before working capital changes	1,089.07	969.71
Movements in working capital :		
Increase/(Decrease) in Long Term Provisions	93.98	(17.92)
Increase/(Decrease) in Trade Payables	(1,922.51)	3,645.43
Increase/(Decrease) in Other Current Liabilities	(111.84)	(35.82)
Increase/(Decrease) in Short Term Provisions	10.04	(3.16)
(Increase)/Decrease in Long-term loans and advances	(3.20)	437.01
(Increase)/Decrease in short-term loans and advances	57.74	27.81
(Increase)/Decrease in trade receivables	3,245.83	(2,558.43)
(Increase)/Decrease in other current assets	0.05	(10.13)
(Increase)/Decrease in inventories	(1,390.93)	(1,930.10)
Change in working capital	(20.86)	(445.31)
Cash generated from operations	1,068.21	524.40
Direct taxes paid (Net of refunds)	4.12	(0.05)
Net cash flow from operating activities	1,072.33	524.35
B. Cash flow from investing activities		
Purchase of fixed assets, including intangible assets & Capital work in progress	(226.79)	(1,579.75)
Proceeds from sale of fixed assets	7.61	0.46
Net cash flow used in investing activities	(219.18)	(1,579.29)
C. Cash flow from financing activities		
Proceeds of long term borrowings	–	984.11
Interest paid	(163.39)	(135.08)
Net cash flow from/ (used in) financing activities	(163.39)	849.02
Net increase in cash and cash equivalents	689.76	(205.93)
Cash and cash equivalents as at beginning of year	543.38	749.29
Cash and cash equivalents as at year end	1,233.14	543.38
Components of cash and cash equivalents:		
Balances with banks:		
On current accounts	5.09	4.02
On cash credit account	1,221.52	538.45
Cheques-in-hand and in transit	–	–
Cash in hand	0.90	0.91
Margin money deposit	5.63	–
Total cash and cash equivalents (note 13)	1,233.14	543.38

As per our report of even date

For and on behalf of the Board of Directors of
Sharp India LimitedFOR S R B C & CO LLP
Firm Registration No. 324982E
Chartered Accountantsper Paul Alvares
Partner
Membership No. 105754T. Isogai
Managing DirectorM. Nakagawasai
Executive DirectorM. Vaze
Company SecretaryPlace : Pune
Date : May 26, 2015Place : Pune
Date : May 26, 2015Place : Pune
Date : May 26, 2015Place : Pune
Date : May 26, 2015

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

(All amounts in Lakhs of Rupees, unless otherwise stated)

Note- 1 : Corporate Information

Sharp India Limited ('the Company') was incorporated on July 5, 1985. The company is principally engaged in the manufacture and sale of colour televisions ('CTVs'), light emitting diode televisions ('LED TVs') and Air-conditioners ('ACs').

Sharp Corporation ('Sharp'), a company incorporated in Japan, holds 75 per cent of the issued share capital of the company. The company has a technical collaboration with Sharp for the manufacture of colour televisions ('CTVs') and ('LED TVs') & air conditioners ('ACs').

Note- 2 : Basis of preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act 2013, read together with Paragraph 7 of the Companies (Accounts) Rule, 2014. The financial statements have been prepared under the historical cost convention on an accrual basis except for derivative financial instruments which have been measured at fair value.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in the accounting policy explained below:

Note- 2.1 : Statement of significant accounting policies**(a) Use of estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

(b) Change in accounting estimate**Depreciation on fixed assets**

Till the year ended 31 March 2014, Schedule XIV to the Companies Act, 1956, prescribed requirements concerning depreciation of fixed assets. From the current year, Schedule XIV has been replaced by Schedule II to the Companies Act, 2013. The applicability of Schedule II has resulted in the following changes related to depreciation of fixed assets. Unless stated otherwise, the impact mentioned for the current year is likely to hold good for future years also.

(i) Useful lives/ depreciation rates

Till the year ended 31 March 2014, depreciation rates prescribed under Schedule XIV were treated as minimum rates and the company was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. Schedule II to the Companies Act 2013 prescribes useful lives for fixed assets which, in many cases, are different from lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements.

Considering the applicability of Schedule II, the management has re-estimated useful lives and residual values of all its fixed assets. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of fixed assets, though these rates in certain cases are different from lives prescribed under Schedule II. Hence, this change in accounting policy did not have any material impact on financial statements of the company.

(ii) Depreciation on assets costing less than ₹ 5,000/-

Till year ended 31 March 2014, to comply with the requirements of Schedule XIV to the Companies Act, 1956, the company was charging 100% depreciation on assets costing less than ₹ 5,000/- in the year of purchase. However, Schedule II to the Companies Act 2013, applicable from the current year, does not recognize such practice. Hence, to comply with the requirement of Schedule II to the Companies Act, 2013, the company has changed its accounting policy for depreciations of assets costing less than ₹ 5,000/-.

As per the revised policy, the company is depreciating such assets over their useful life as assessed by the management. The management has decided to apply the revised accounting policy prospectively from accounting periods commencing on or after 1 April 2014.

The change in accounting for depreciation of assets costing less than ₹ 5,000/- did not have any material impact on financial statements of the company for the current year.

(c) Tangible fixed assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. The cost comprises of purchase price, borrowing costs if capitalisation criteria are met and directly attributable costs of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

(d) Borrowing costs

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

(e) Depreciation on tangible fixed assets

Depreciation on tangible assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The company has used the following rates to provide depreciation on its fixed assets:

Particulars	Useful lives estimated by the management (years)
Buildings	
- Factory	29.94
- Others	60
Plant and machinery	2-15
Moulds, jigs and fixtures	3-6.17
Furniture, fittings and equipment	10
Computers	3-6
Vehicles	5
Road	10
Office Equipments	4-5

The management has estimated, supported by independent assessment by professionals, the useful lives of certain Plant and machinery, Factory buildings, Moulds, jigs and fixtures, Vehicles and Office equipments as per table above, which are lower than those indicated in Schedule II.

f) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets excluding capitalised development costs are not capitalised and are reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Intangible assets amortised on straight line basis over the estimated useful economic life. The company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If persuasive evidence exists to the effect that useful life of an intangible asset exceeds ten years, the company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from the previous estimates, the amortisation period is changed accordingly. The amortisation period of the intangible assets are given below:

SAP software - 6 years

Technical know-how and Model fees for Air conditioner 3 years and LCD-1 year

Gains or losses arising from de-recognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

(g) Impairment of tangible and intangible assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss, except for previously revalued tangible fixed assets, where the revaluation was taken to revaluation reserve. In this case, the impairment is also recognized in the revaluation reserve up to the amount of any previous revaluation.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

(h) Leases

Operating lease-Where company is the lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

(i) Inventories

Raw materials, components, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on a weighted average basis.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a weighted average basis.

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(j) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and that the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, on the basis of terms of sale and are recorded net of trade discounts and sales taxes, but including excise duty. The company collects sales taxes and value added taxes (VAT) on behalf of the government and therefore, these are not economic benefits flowing to the company. Hence they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

Interest income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable. Interest income is included under the head "other income" in the statement of profit and loss.

Export incentives

Export incentives consist of duty drawback income which is recognised in statement of profit and loss on the basis of realisation of claims from the concerned authority.

(k) Foreign currency translation

Foreign currency transactions

Initial recognition

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

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

Exchange differences

Exchange differences arising on the settlement of monetary items of the company at rates different from those at which they were initially recorded are recognised as income or expenses, in the period in which they arise.

Forward exchange contracts not intended for trading or speculation purposes

The premium or discount arising at the inception of forward exchange contract is amortised and recognised as an expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the period.

(l) Retirement and other employee benefits

Retirement benefits to employees comprise of gratuity, contributions to superannuation, pension fund, provident fund and employee deposit linked insurance as per the approved scheme of the company.

Retirement benefit in the form of provident fund, pension fund and employee deposit linked insurance are defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund, pension fund and employee deposit linked insurance. The company recognizes contribution payable to the provident fund, pension fund and employee deposit linked insurance as expenditure, when an employee renders the related service. If the contribution payable to provident fund, pension fund and employee deposit linked insurance for services received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contributions already paid. If the contributions already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Contributions to superannuation fund with LIC through its employees' trust are charged to the statement of profit and loss on an accrual basis. There are no obligations other than the contribution made each year.

Gratuity liability is a defined benefit obligation and is provided on the basis of an actuarial valuation made at the end of each financial year. The actuarial valuation is done as per projected unit credit method. Actuarial gains and losses are recognised in full in the period in which they occur in the statement of profit and loss.

Long term compensated absences are provided for based on actuarial valuation at the end of each financial year. The actuarial valuation is done as per projected unit credit method. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as current in the balance sheet, since it does not have an unconditional right to defer its settlement for more than 12 months after the reporting date.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Expenses incurred towards voluntary retirement scheme are charged to the statement of profit and loss immediately.

(m) Income Tax

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

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date the company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer virtually certain, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes virtually certain, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the *Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961*, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

(n) Earnings per share

Basic earnings/loss per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average numbers of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(o) Provisions

A provision is recognised when the company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These estimates are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(p) Cash and cash equivalents

Cash and cash equivalents in the balance sheet and for the purposes of cash flow statement comprise of cash at bank and in hand and short-term investments with an original maturity of three months or less.

(q) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. The company does not recognise a contingent liability but discloses its existence in the financial statements.

(r) Segment reporting

Identification of segments

The company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the company operate.

Inter-segment transfers

The company generally accounts for intersegment sales and transfers at cost plus appropriate margins.

Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

(s) Measurement of EBITDA

As permitted by the guidance note on the *Revised Schedule VI to the Companies Act 1956*, the company has elected to present earnings before interest cost, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the statement of profit and loss. The company measures EBITDA on the basis of profit / (loss) from continuing operations. In its measurement, the company does not include depreciation and amortisation expenses, finance cost and tax expense.

Note - 3 : SHARE CAPITAL

Particulars	March 31, 2015 (Rs. Lakhs)	March 31, 2014 (Rs. Lakhs)
AUTHORISED SHARES (NO. LAKHS)		
400 (31 March 2014: 400) equity shares of Rs.10/- each	<u>4,000.00</u>	<u>4,000.00</u>
Issued, subscribed and fully paid up shares (No. Lakhs)	2,594.40	2,594.40
259 (31 March 2014: 259) equity shares of Rs.10/- each fully paid up		
Total issued, subscribed and fully paid-up share capital	<u>2,594.40</u>	<u>2,594.40</u>

a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Particulars	March 31, 2015		March 31, 2014	
	(No. Lakhs)	(Rs. Lakhs)	(No. Lakhs)	(Rs. Lakhs)
At the beginning of the year	<u>259.44</u>	<u>2,594.40</u>	<u>259.44</u>	<u>2,594.40</u>
Outstanding at the end of the year	<u>259.44</u>	<u>2,594.40</u>	<u>259.44</u>	<u>2,594.40</u>

b) Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders.

c) Shares held by holding /ultimate holding company and/or their subsidiaries / associates

Out of equity shares issued by the company, shares held by its holding company are as below:

Particulars	March 31, 2015		March 31, 2014	
	(No. Lakhs)	(Rs. Lakhs)	(No. Lakhs)	(Rs. Lakhs)
Sharp Corporation Japan, the holding company	<u>194.58</u>	<u>1,945.80</u>	<u>194.58</u>	<u>1,945.80</u>

d) Details of shareholding more than 5% shares in the company

Particulars	March 31, 2015		March 31, 2014	
	(No. Lakhs)	% holding	(No. Lakhs)	% holding
Sharp Corporation Japan, the holding company	<u>194.58</u>	<u>75%</u>	<u>194.58</u>	<u>75%</u>

Note - 4 : RESERVES AND SURPLUS

Particulars	March 31, 2015 (Rs. Lakhs)	March 31, 2014 (Rs. Lakhs)
Capital reserve	<u>20.00</u>	<u>20.00</u>
- Special capital incentive received from the Government of Maharashtra		
Securities premium account	<u>1,786.00</u>	<u>1,786.00</u>
Surplus/(Deficit) in the statement of profit and loss		
Balance as per last financial statements	<u>(1,848.45)</u>	<u>(2,125.49)</u>
Profit / (Loss) for the year	<u>156.36</u>	<u>277.04</u>
Net (deficit) in the statement of profit and loss	<u>(1,692.09)</u>	<u>(1,848.45)</u>
Total reserves and surplus	<u>113.91</u>	<u>(42.45)</u>

Note- 5 : Borrowings

Particulars	Long-term		Short-term	
	March 31, 2015 (Rs. Lakhs)	March 31, 2014 (Rs. Lakhs)	March 31, 2015 (Rs. Lakhs)	March 31, 2014 (Rs. Lakhs)
Rupee Term Loans (Unsecured)				
External commercial borrowings from Sharp Corporation, Japan	1,584.11	1,584.11	–	–
Loan from Sharp Software Development India Private Limited	–	300.00	300.00	–
Total Long term borrowings	1,584.11	1,884.11	300.00	–

1. External commercial borrowings taken from Sharp Corporation, Japan is repayable after 4 years from the date of withdrawal. The loan carries a fixed interest of 6.90% per annum. The details of withdrawals are given as follows:

Date of Withdrawals	Amount (Rs. 'Lakhs)
8/2/2013	600.00
16/4/2013	650.00
19/7/2013	334.11
Total Withdrawals	1,584.11

2. Loan taken from Sharp Software Development India Private Limited is repayable anytime after 3 years (i.e December 17, 2015) but before expiry of loan term of 5 year. The loan carries an interest of 10% per annum.

Note - 6 : PROVISIONS

Particulars	Long-term		Short-term	
	March 31, 2015 (Rs. Lakhs)	March 31, 2014 (Rs. Lakhs)	March 31, 2015 (Rs. Lakhs)	March 31, 2014 (Rs. Lakhs)
Provision for employee benefits				
Provision for gratuity (Refer Note 23)	75.97	–	–	–
Provision for leave benefits	61.09	43.08	6.56	9.31
Provision for bonus	–	–	11.65	9.72
Other provisions				
Provisions for dues under dispute (Refer Note 36)	20.80	20.80	–	–
Provision for wealth tax*	–	–	0.06	0.14
Provision for mark to market losses on derivative contracts	–	–	10.85	–
Total Provisions	157.86	63.88	29.12	19.17

Note - 7 : OTHER CURRENT LIABILITIES

Particulars	March 31, 2015 (Rs. Lakhs)	March 31, 2014 (Rs. Lakhs)
Trade payables (refer note 30 for details of dues to micro and small enterprises)	4,591.76	6,512.48
Other liabilities		
Creditors for fixed assets	5.05	–
TDS payable	31.84	65.23
Sales tax payable	17.46	75.97
Service tax payable	20.02	37.22
Payables to employees*	0.08	2.20
Advances from customers	1.88	2.45
Unamortised premium liability	10.08	10.13
	86.41	193.20
	4,678.17	6,705.68

Note - 8 : FIXED ASSETS AS AT MARCH 31, 2015

	TANGIBLES							INTANGIBLES				TOTAL							
	Land- Freehold (Refer note 1)	Factory Buildings	Plant and machinery	Moulds, jigs and fixtures'	Furniture and equipment	Computers	Vehicles	Total	Previous year	(A)	(D)	SAP Software	Technical know how	Total	Previous year	(B)	(E)	(C = A + B)	(F = D + E)
Gross Block																			
As at April 1, 2013	19.31	909.16	4,126.02	3,127.23	208.13	284.98	57.99	8,732.82	8,868.73	0.07	294.71	0.07	294.78	686.50	9,027.59	9,555.23			
Additions	-	-	583.70	1,044.75	4.28	16.56	10.84	1,660.13	52.49	0.67	397.60	397.60	398.27	1.15	2,058.40	53.63			
Deductions	-	-	367.30	-	14.03	-	-	381.33	188.40	-	-	-	-	392.87	381.33	581.25			
As at March 31, 2014	19.31	909.16	4,342.42	4,171.98	198.38	301.54	68.83	10,011.62	8,732.82	7.98	397.67	7.98	693.05	294.78	10,704.67	9,027.59			
Additions	-	-	102.08	11.11	7.72	2.77	-	123.68	1,660.13	-	87.13	87.13	95.11	398.27	218.79	2,058.40			
Deductions	-	-	20.05	95.08	2.59	198.64	5.00	321.36	381.33	-	-	-	-	-	321.36	381.33			
As at March 31, 2015	19.31	909.16	4,424.45	4,088.01	203.51	105.67	63.83	9,813.94	10,011.62	303.36	484.80	303.36	788.16	693.05	10,602.10	10,704.66			
Accumulated depreciation/ amortisation																			
As at April 1, 2013	-	495.12	3,417.12	3,114.27	176.44	280.35	40.60	7,523.90	7,300.57	286.12	-	286.12	286.12	540.47	7,810.02	7,841.04			
Charge For the year	-	28.20	157.67	257.06	14.99	5.04	7.83	470.79	408.50	1.55	85.54	85.54	87.09	138.52	557.89	547.02			
Deletions	-	-	367.30	-	13.93	-	-	381.23	185.17	-	-	-	-	392.87	381.23	578.04			
As at March 31, 2014	-	523.32	3,207.49	3,371.33	177.50	285.39	48.43	7,613.46	7,523.90	287.67	85.54	287.67	373.21	286.13	7,986.67	7,810.02			
Charge For the year	-	52.11	202.41	316.54	5.02	5.36	8.41	589.85	470.79	3.50	179.83	179.83	183.33	87.09	773.18	557.88			
Deletions	-	-	20.05	95.08	2.49	198.64	3.17	319.43	381.23	-	-	-	-	-	319.43	381.23			
As at March 31, 2015	-	575.43	3,389.85	3,592.79	180.03	92.11	53.67	7,883.88	7,613.46	291.17	265.37	291.17	556.54	373.22	8,440.42	7,986.67			
Net Block																			
As at March 31, 2014	19.31	385.84	1,134.93	800.65	20.88	16.15	20.40	2,398.16	1,208.92	7.70	312.13	312.13	319.84	8.66	2,717.99	1,217.57			
As at March 31, 2015	19.31	333.73	1,034.60	495.22	23.48	13.56	10.16	1,930.06	2,398.16	12.19	219.73	219.73	231.62	319.83	2,161.68	2,718.00			
Capital Work In Progress								13.05		-	-	-	-	-	13.05	-	-	-	

Note

Freehold land includes Rs.18,12,000/- paid for the acquisition of land at Koregaon Bhima. Although the Company possesses the title deeds to this land, the final purchase consideration is still to be determined. Management believes that no additional claims are likely to be made against the Company consequent to the finalisation of the purchase consideration.

Note - 9 : LOANS AND ADVANCES

Particulars	Non-current		Current	
	March 31, 2015 (Rs. Lakhs)	March 31, 2014 (Rs. Lakhs)	March 31, 2015 (Rs. Lakhs)	March 31, 2014 (Rs. Lakhs)
Loans and advances to related parties (Refer Note 26 d)				
Unsecured, considered good	-	-	115.31	-
Capital Advances				
Unsecured, considered good	-	-	-	-
Advances recoverable in cash or kind				
Unsecured, considered good	-	-	22.62	118.14
Other loans and advances				
Unsecured, considered good				
Advance income tax (net of provision for tax)	0.38	4.58	-	-
Prepaid expenses	-	-	23.49	22.85
Prepaid gratuity (Refer Note 23)	-	-	-	27.79
Deposits - others	14.71	11.51	2.70	6.00
Balances with statutory/government authorities	-	-	65.18	112.26
	<u>15.09</u>	<u>16.09</u>	<u>229.30</u>	<u>287.04</u>

Note- 10 : TRADE RECEIVABLES

Particulars	March 31, 2015	March 31, 2014
	(Rs. Lakhs)	(Rs. Lakhs)
Non-current		
Doubtful	80.83	586.51
	<u>80.83</u>	<u>586.51</u>
Provision for doubtful receivables	<u>(80.83)</u>	<u>(586.51)</u>
	-	-
Current		
Other receivables		
Unsecured, considered good	1,738.40	4,984.23
	<u>1,738.40</u>	<u>4,984.23</u>

Note - 11 : OTHER CURRENT ASSETS

Particulars	March 31, 2015	March 31, 2014
	(Rs. Lakhs)	(Rs. Lakhs)
Unsecured considered good unless stated otherwise		
Unamortised premium on forward contract	10.08	10.13
	<u>10.08</u>	<u>10.13</u>

Note - 12 : INVENTORIES (VALUED AT LOWER OF COST AND NET REALISABLE VALUE)

Particulars	March 31, 2015	March 31, 2014
	(Rs. Lakhs)	(Rs. Lakhs)
Raw materials and components (Includes material in transit Rs. 113.89 lakhs (31 March 2014 Rs. 100.19 lakhs) (refer note 16)	3,788.76	2,576.48
Stores and packing materials	9.00	6.18
Work-in-progress (refer note 17)	181.48	53.07
Finished goods (refer note 17)	77.59	30.17
	<u>4,056.83</u>	<u>2,665.90</u>

Note - 13 : CASH AND BANK BALANCES

Particulars	March 31, 2015 (Rs. Lakhs)	March 31, 2014 (Rs. Lakhs)
Cash and cash equivalents		
<i>Balances with banks</i>		
- On current account	5.09	4.02
- On cash credit account	1,221.52	538.45
Cash on hand	0.90	0.91
Other bank balances		
- Margin Money deposit	5.63	-
	<u>1,233.14</u>	<u>543.38</u>

Note - 14 : REVENUE FROM OPERATIONS

Particulars	March 31, 2015 (Rs. Lakhs)	March 31, 2014 (Rs. Lakhs)
Revenue from operations		
Sale of products		
Finished goods	21,745.49	17,782.70
Other operating revenue		
Scrap sales	26.85	22.69
Duty drawback income	28.41	4.97
Revenue from operations (gross)	21,800.75	17,810.36
Less: excise duty #	(2,896.98)	(2,381.52)
Revenue from operations (net)	<u>18,903.77</u>	<u>15,428.84</u>

Excise duty on sales amounting to Rs. 2,896.98 lakhs (31 March 2014: Rs. 2,381.51 lakhs) has been reduced from sales in statement of profit and loss and excise duty on increase / (decrease) in stock amounting to Rs. 9.94 lakhs (31 March 2014: Rs. (2.09) lakhs) has been considered as expense / (income) in note 19 of financial statements.

Details of products sold	March 31, 2015 (Rs. Lakhs)	March 31, 2014 (Rs. Lakhs)
Finished goods sold		
Air conditioners	14,916.53	10,486.92
Liquid crystal display televisions	6,630.57	6,759.59
Colour televisions	164.52	483.55
Spares	33.88	52.64
	<u>21,745.50</u>	<u>17,782.70</u>

Note - 15 : OTHER INCOME

Particulars	March 31, 2015 (Rs. Lakhs)	March 31, 2014 (Rs. Lakhs)
Sundry credit balances written back (net)	18.86	2.30
Profit on sale of fixed assets	5.71	0.36
	<u>24.57</u>	<u>2.66</u>

Note - 16 : COST OF RAW MATERIAL AND COMPONENT CONSUMED

Particulars	March 31, 2015 (Rs. Lakhs)	March 31, 2014 (Rs. Lakhs)
Inventory as at the beginning of the year	2,576.48	685.74
Add : Purchases during the year	16,440.24	13,835.49
Less : Inventory as at the end of the year	3,788.76	2,576.48
Cost of raw material and components consumed	15,227.96	11,944.75

Details of raw material and components consumed

Particulars	March 31, 2015 (Rs. Lakhs)	March 31, 2014 (Rs. Lakhs)
Colour picture tubes	65.48	223.03
LED/LCD Panels	2,718.53	2,406.62
Compressor	2,127.52	1,531.80
Control Board	1,902.59	1,746.47
Condensor	857.82	588.40
Others	7,556.02	5,448.44
	15,227.96	11,944.76

Details of inventory

Particulars	March 31, 2015 (Rs. Lakhs)	March 31, 2014 (Rs. Lakhs)
Raw material and components (Including materials in transit)		
Colour picture tubes	1.91	0.85
LED/LCD Panels	520.41	90.55
Compressor	609.29	303.89
Control Board	542.51	102.54
Condensor	66.38	8.26
Others	2,048.26	2,070.39
	3,788.76	2,576.48

Note - 17 : (INCREASE)/DECREASE IN INVENTORIES

Particulars	March 31, 2015 (Rs. Lakhs)	March 31, 2014 (Rs. Lakhs)
Inventories as at the end of the year		
Finished goods (including material in transit)	77.59	30.17
Work in progress	181.48	53.07
Total (A)	259.07	83.24
Inventories as at the beginning of the year		
Finished goods (including material in transit)	30.17	38.15
Work in progress	53.07	6.75
Total (B)	83.24	44.90
(Increase)/decrease in inventories (B-A)	(175.83)	(38.34)

Details of inventory

Particulars	March 31, 2015 (Rs. Lakhs)	March 31, 2014 (Rs. Lakhs)
Finished goods		
Colour televisions	-	20.66
Liquid crystal display televisions	0.87	-
Air conditioners	76.72	9.51
	77.59	30.17
Work in progress		
Colour televisions	-	2.52
Liquid crystal display televisions	32.85	9.30
Air conditioners	148.62	41.25
	181.47	53.07
	259.06	83.24

Note - 18 : EMPLOYEE BENEFITS EXPENSE

Particulars	March 31, 2015 (Rs. Lakhs)	March 31, 2014 (Rs. Lakhs)
Salaries, wages and bonus	706.85	630.67
Contribution to provident fund	45.60	39.61
Gratuity expense (Refer Note 23)	103.90	(31.05)
Contributions to superannuation fund	7.83	9.05
Contributions to employees deposit linked insurance	1.42	0.64
Staff welfare expenses	166.21	159.48
	<u>1,031.81</u>	<u>808.40</u>

Note - 19 : OTHER EXPENSES

Particulars	March 31, 2015 (Rs. Lakhs)	March 31, 2014 (Rs. Lakhs)
Consumption of stores, spares	7.76	7.52
Consumption of packing materials	271.04	207.12
Freight, octroi, transit insurance	7.66	69.97
Power, fuel, water charges	55.98	47.45
Water charges	4.20	4.21
Rent, rates and taxes	0.08	0.13
Rates and taxes	15.29	16.95
Repairs and maintenance		
- Plant and machinery	57.82	5.94
- Building	9.41	3.90
- Others	70.23	54.44
Insurance	20.08	20.33
Travel	38.80	40.94
Communication expenses	52.63	45.57
Directors sitting fees	9.19	7.22
Royalty and patent fees	608.35	474.41
Professional fees and expenses	125.97	82.86
Auditors' remuneration	20.82	22.64
Increase/(decrease) of excise duty on inventory	9.94	(2.09)
Processing charges	17.37	6.78
Printing and stationery	6.74	5.53
Service tax	-	2.20
Exchange rate difference (net)	179.47	438.48
Miscellaneous expenses	162.58	184.04
	<u>1,751.41</u>	<u>1,746.54</u>

Payment to auditor

Particulars	March 31, 2015 (Rs. Lakhs)	March 31, 2014 (Rs. Lakhs)
As auditor		
Audit fees	14.30	14.30
Tax audit fees	1.50	1.50
Limited review	4.00	4.00
Reimbursement of expenses	1.02	2.84
	<u>20.82</u>	<u>22.64</u>

Note - 20 : DEPRECIATION AND AMORTISATION EXPENSES

Particulars	March 31, 2015 (Rs. Lakhs)	March 31, 2014 (Rs. Lakhs)
Depreciation of tangible assets	589.85	470.79
Amortisation of intangible assets	183.33	87.09
	<u>773.18</u>	<u>557.88</u>

Note - 21 : FINANCE COST

Particulars	March 31, 2015 (Rs. Lakhs)	March 31, 2014 (Rs. Lakhs)
Interest on term loans	140.82	117.43
Interest others	0.60	2.22
Bank charges	21.97	15.43
	<u>163.39</u>	<u>135.08</u>

Note - 22 : EARNINGS PER SHARE (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computations:

Particulars	March 31, 2015 (Rs. Lakhs)	March 31, 2014 (Rs. Lakhs)
Profit/(loss) after tax	156.36	277.04
Net profit/(loss) for calculation of basic and diluted EPS	<u>156.36</u>	<u>277.04</u>
Weighted average number of equity shares in calculating basic and diluted EPS	259.44	259.44
Earnings per equity share [nominal value of share Rs.10 (31 March, 2014: Rs. 10)]		
Basic and diluted (in rupees)	0.60	1.07

Note - 23 : GRATUITY & OTHER POST EMPLOYMENT BENEFITS**Defined contribution plans -**

The company has recognised the following amounts in the statement of profit and loss for the year:

Particulars	March 31, 2015 Amount in (Rs. Lakhs)	March 31, 2014 Amount in (Rs. Lakhs)
Provident & pension fund	45.60	39.62
Superannuation fund	7.83	9.05

Defined benefit plans -

The company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible for gratuity on departure, computed based on the company's gratuity scheme for each completed year of service. The scheme is funded with an insurance company. The following tables summarises the components of net benefit expense recognised in the statement of profit and loss and the funded status and the amount recognised in the balance sheet for the respective plans.

Statement of profit and loss

Net employees benefit expense recognised in the statement of profit and loss:

Particulars	March 31, 2015 Amount in (Rs. Lakhs)	March 31, 2014 Amount in (Rs. Lakhs)
Current service cost	17.25	19.04
Interest on defined benefit obligation	36.44	32.36
Expected return on plan assets	(30.37)	(28.13)
Net actuarial (gain)/loss recognised in the year	80.57	(54.32)
Net benefit expense	<u>103.89</u>	<u>(31.05)</u>
Actual return on plan assets	33.52	36.04

Balance sheet**Benefit asset/liability**

The following table summarises the components of net benefit balance recognised in the balance sheet:

Details of defined benefit gratuity plan

Particulars	March 31, 2015	March 31, 2014
	Amount in (Rs. Lakhs)	
Defined benefit obligation	506.17	401.27
Fair value of plan assets	(430.20)	(429.06)
Plan (asset)/liability	75.97	(27.79)

Changes in the present value of the defined benefit gratuity obligation are as follows:

Particulars	March 31, 2015	March 31, 2014
	Amount in (Rs. Lakhs)	
Opening defined benefit obligation	401.27	401.32
Interest cost	36.44	32.36
Current service cost	17.25	19.04
Benefits paid/payable	(32.94)	(4.63)
Actuarial (gain)/loss on obligation	84.14	(46.82)
Closing defined benefit obligation	506.16	401.27

Changes in the fair value of the defined benefit gratuity plan assets are as follows:

Particulars	March 31, 2015	March 31, 2014
	Amount in (Rs. Lakhs)	
Opening fair value of plan assets	429.06	383.40
Expected return	30.37	28.13
Contributions by employer	0.13	14.66
Benefits paid	(32.94)	(4.63)
Actuarial gains/(loss) on obligation	3.58	7.50
Closing fair value of plan assets	430.20	429.06

*The Company expects to contribute Rs.20.00 lakhs to gratuity in the next year (31 March 2014: Rs Nil).

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	2015	2014
Investments with Life Insurance Corporation of India	100%	100%

The principal assumptions used in determining defined benefit gratuity plan obligations are shown below:

Particulars	March 31, 2015	March 31, 2014
Discount rate	7.90%	9.25%
Expected rate of return on plan assets	7.50%	7.50%
Salary escalation rate	6% for Bargainable and 8% for Non-Bargainable	6% for Bargainable and 8% for Non-Bargainable
Attrition rate	2%	2%

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

The overall expected rate of return on assets is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligation.

Amounts for the current and previous four periods are as follows:

Particulars	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
	Amount in (Rs. Lakhs)				
Defined benefit obligation	506.16	401.27	401.32	351.83	318.07
Plan assets	430.20	429.06	383.40	258.54	261.11
Surplus/(deficit)	(75.97)	28.20	(17.92)	(93.29)	(56.96)
Experience adjustments on plan liabilities	21.38	2.14	(7.80)	22.68	(24.14)
Experience adjustments on plan assets	3.16	7.91	18.48	4.87	10.10

Note - 24 : LEASE COMMITMENTS

Operating Lease: Company as lessee

The company has entered into operating lease agreements for the rental of property. Typically, lease agreements are for a period of three years and contain provisions for early termination. There were no restrictions placed upon the Company by entering into this lease.

Lease payments on cancellable operating leases during the year: Rs.Nil. (31 March, 2014 Rs.0 lakhs)

Note - 25 : SEGMENT REPORTING

The company is exclusively engaged in the business of 'consumer electronics' consisting of all types of Colour Televisions, LED TVs and Air conditioners which is considered to constitute one single primary segment in context of Accounting Standard (AS) - 17 on Segment Reporting, notified under the Rules.

The analysis of geographical segment is based on the geographical location of the customers. The geographical segments considered for disclosure are as follows:

- Sales within India include sales to customers located within India.
- Sales outside India include sales to customers located outside India.

Details of segment revenue

Particulars	Year ended	Year ended
	March 31, 2015	March 31, 2014
Amount in (Rs. Lakhs)		
Sales within India	18,739.38	15,013.55
Sales outside India	164.39	415.29
Total	18,903.77	15,428.84

Details of segment assets

Particulars	Year ended	Year ended
	March 31, 2015	March 31, 2014
Amount in (Rs. Lakhs)		
Segment assets within India	9,457.58	10,993.33
Segment assets outside India	-	231.44
Total	9,457.58	11,224.77

Note - 26 : RELATED PARTY TRANSACTIONS

a) Names of related parties and related party relationship

I. Related parties where control exists:

Holding company:

Sharp Corporation, Japan

II. Related parties with whom transactions have taken place:

Fellow subsidiaries:

Sharp Electronics (Malaysia) SDN. BHD., Malaysia

Sharp Manufacturing Corporation (M) SDN BHD, Malaysia

Sharp Business Systems (India) Limited

Sharp Software Development India Private Limited

Sharp Middle East FZE, UAE

S&O Electronics (M) SDN BHD, Malaysia

Sharp Manufacturing Poland SP.Z.O

P.T.Sharp Electronics Indonesia

Key management personnel:

Mr. M. Nakagawasai (from June 1, 2012)

Mr. T.Isogai (from December 9, 2012)

Mayuresh P Vaze

b) The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Nature of transactions	Holding company		Fellow subsidiaries		Key management personnel	
	Amount in (Rs. Lakhs)		Amount in (Rs. Lakhs)		Amount in (Rs. Lakhs)	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Sale of goods, spares and raw materials **	-	-	18,844.96	15,401.71	-	-
Purchase of fixed assets (including capital work in progress)	87.13	15.42	18.55	10.25	-	-
Purchase of technical know-how	-	314.72	-	-	-	-
Purchase of goods and services*	-	-	8,959.81	8034.42	-	-
Loans taken	-	984.11	-	-	-	-
Interest on loan	110.82	102.10	30.00	30.00	-	-
Royalty and patent expense incurred	608.35	474.41	-	-	-	-
Reimbursement of expenses received	130.25	638.19	1.43	4.24	-	-
Reimbursement of expenses paid	13.18	66.67	(51.60)	(44.13)	-	-
Managerial remuneration	-	-	-	-	45.32	45.51

* Net of discounts received

** Domestic Sales are net of Taxes & Duties.

c) List of transactions with fellow subsidiaries:

Type of transaction	Type of relationship	Name of the entity/person	2015	2014
			Amount in (Rs. Lakhs)	
Sale of goods, spares and raw materials	Fellow subsidiaries	Sharp Business Systems (India) Limited** Sharp Middle East FZE, UAE	18,681.55	14,986.42
			163.41	415.29
			18,844.96	15,401.71

			2015	2014
Purchase of fixed assets	Fellow subsidiaries	Sharp Electronics (Malaysia) SDN. BHD., Malaysia	11.40	10.25
		Sharp Manufacturing Poland SP.Z.O	5.73	-
		Sharp Business Systems (India) Limited	1.42	-
			<u>18.55</u>	<u>10.25</u>
Purchase of goods/ Services/Others	Fellow subsidiaries	Sharp Electronics (Malaysia) SDN. BHD., Malaysia**	8,530.11	8,032.80
		Sharp Manufacturing Corporation. (M) SDN BHD, Malaysia	427.46	1.02
		Sharp Business Systems (India) Limited	2.02	0.60
		P.T.Sharp Electronics Indonesia	0.22	-
	<u>8,959.81</u>	<u>8,034.42</u>		

**Purchase of goods for the year ended March 31, 2015 are netted off with credits for price support received by way of discounts from Sharp Electronics (Malaysia) SDN. amounting to Rs. 156.06 lakhs. (Rs. 543.81 lakhs for the year ended March 31, 2014).

Interest on Loan	Fellow subsidiaries	Sharp Software Development India Private Limited	<u>30.00</u>	<u>30.00</u>
Reimbursement of expenses (paid)/ received from (net)	Fellow subsidiaries	Sharp Electronics (Malaysia) SDN. BHD., Malaysia	(50.41)	(40.54)
		Sharp Manufacturing Corporation.(M) SDN BHD, Malaysia	(1.19)	(2.63)
		Sharp Business Systems (India) Limited	1.43	2.68
		Sharp Software Development India Private Ltd.	-	0.27
		S&O Electronics (M) SDN BHD Malaysia	-	0.33
			<u>(50.17)</u>	<u>(39.89)</u>
Managerial remuneration	Key management personnel	M. Nakagawasai	21.34	21.12
		T. Isogai	23.98	24.39
		Mayuresh P Vaze	6.67	5.96
			<u>51.99</u>	<u>51.47</u>

d) Amounts outstanding as at year end :

	<u>As at March 31, 2015</u>		<u>As at March 31, 2014</u>	
	<u>Holding company</u>	<u>Fellow subsidiaries</u>	<u>Holding company</u>	<u>Fellow subsidiaries</u>
	Amount in (Rs. Lakhs)			
i) Trade receivables	-	1,738.40	-	4,984.23
ii) Trade payables	222.17	2,678.32	430.88	3,591.74
iii) Loans and advances	-	115.31	-	-
iv) Borrowings	1,584.11	300.00	1,584.11	300.00

Name of related party

	<u>March 31, 2015</u>	<u>March 31, 2014</u>
	<u>Amount in (Rs. Lakhs)</u>	<u>Amount in (Rs. Lakhs)</u>
Trade Receivables		
Sharp Business Systems (India) Limited	1,738.40	4,752.79
Sharp Middle East FZE, UAE	-	231.44
	<u>1,738.40</u>	<u>4,984.23</u>
Trade payables		
Sharp Electronics (Malaysia) SDN. BHD., Malaysia	2,646.88	3,589.69
Sharp Business Systems (India) Limited	-	2.05
Sharp Manufacturing Corporation.(M) SDN BHD, Malaysia	31.44	-
	<u>2,678.32</u>	<u>3,591.74</u>

<u>Name of related party</u>	<u>March 31, 2015</u>	<u>March 31, 2014</u>
Loans and advances		
Sharp Electronics (Malaysia) SDN. BHD., Malaysia	115.31	-
	<u>115.31</u>	<u>-</u>
Borrowings		
Sharp Software Development India Private Limited	300.00	300.00
	<u>300.00</u>	<u>300.00</u>

Note - 27 : CAPITAL COMMITMENT

There are capital commitments worth Rs. Nil outstanding as at the year-end (31 March, 2014: Rs. 3.06Lakhs)

Note - 28 : CONTINGENT LIABILITIES

	<u>March 31, 2015</u>	<u>March 31, 2014</u>
	<u>Amount in</u>	<u>Amount in</u>
	<u>(Rs. 'lakhs)</u>	<u>(Rs. 'lakhs)</u>
Claims against the company not acknowledged as debts		
- Central excise authorities	202.56	249.95
	<u>202.56</u>	<u>249.95</u>

Claims against the company for central excise pertain to claim for (i) cenvat on work-in-progress and finished goods destroyed by fire, (ii) service tax on repairs and maintenance services and cenvat credit on input services availed for procurement of inputs (iii) Service tax credit on input services attributable to purchase of inputs which were removed as such

Note - 29 : DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURE

Particulars of derivatives	Purpose
Forward contract outstanding as at balance sheet date	
Buy USD 22.74 lakhs (INR 1,434.66 lakhs)	Hedge of payables against USD liabilities
(31 March 2014: - USD 14.47 lakhs(INR 907.61 lakhs))	on purchase of raw materials.

Particulars of unhedged foreign currency exposure as at the balance sheet date March 31, 2015

<u>Particulars</u>	<u>Foreign Currency</u>	<u>In Foreign Currency</u>	<u>In Indian rupees</u>
		<u>(in Lakhs)</u>	<u>(in Lakhs)</u>
Trade payables	USD	31.03	1,939.89
	JPY	369.22	192.49
Loans and advances	USD	(1.85)	(115.31)

March 31, 2014

<u>Particulars</u>	<u>Foreign Currency</u>	<u>In Foreign Currency</u>	<u>In Indian rupees</u>
		<u>(in Lakhs)</u>	<u>(in Lakhs)</u>
Trade payables	USD	61.34	3,675.94
	JPY	593.47	344.63
Trade receivables	USD	(3.86)	(231.44)

Note - 30 : DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MSMED ACT, 2006

There are no dues to micro, small and medium enterprises as at March 31, 2015 (March 31, 2014: Nil), as no supplier has intimated the Company about its status as Micro or Small enterprise or its registration with the appropriate authorities under the Micro Small and Medium Enterprises Development Act, 2006.

Note - 31 : Value of imports calculated on CIF basis

	<u>March 31, 2015</u>	<u>March 31, 2014</u>
	Amount in (Rs. Lakhs)	
Raw material and components (Gross)	11,387.43	10,350.98
Capital goods	91.81	330.41
	<u>11,479.24</u>	<u>10,681.39</u>

Note - 32 : EXPENDITURE IN FOREIGN CURRENCY (accrual basis)

	<u>March 31, 2015</u>	<u>March 31, 2014</u>
	Amount in (Rs. Lakhs)	
Travel	10.99	25.54
Professional Fees	50.70	40.42
Communication Expenses	12.39	12.09
Royalty and patent fees	608.35	474.41
Technical know how fees*	87.13	314.72
Others	2.09	46.60
	<u>771.67</u>	<u>913.77</u>

* Technical know how fees has been capitalised under the head of intangible assets.

Note - 33 : IMPORTED AND INDIGENOUS RAW MATERIALS AND COMPONENTS CONSUMED

	<u>March 31, 2015</u>		<u>March 31, 2014</u>	
	%	Amount in (Rs. lakhs)	%	Amount in (Rs. lakhs)
Raw Materials				
Imported	70.77	10,776.70	74.69	8,921.08
Indigenous	29.23	4,451.27	25.31	3,023.67
	<u>100.00</u>	<u>15,227.97</u>	<u>100.00</u>	<u>11,944.75</u>
Stores, spares and packing materials				
Imported	-	-	-	-
Indigenous	100.00	278.80	100.00	214.64
	<u>100.00</u>	<u>278.80</u>	<u>100.00</u>	<u>214.64</u>

Note - 34 : EARNINGS IN FOREIGN CURRENCY (accrual basis)

	<u>March 31, 2015</u>	<u>March 31, 2014</u>
	Amount in (Rs. lakhs)	Amount in (Rs. lakhs)
Exports at FOB value	<u>165.30</u>	<u>415.29</u>

Note - 35 : DEFERRED TAX

The breakup of components of deferred tax is given below:

Particulars	March 31, 2015	March 31, 2014
	Amount in (Rs. Lakhs)	
Deferred tax asset		
Unabsorbed depreciation	324.14	318.40
Provision for doubtful debts	26.72	194.82
Provision for leave salary	22.37	17.40
Others	4.40	8.84
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	80.64	37.78
Gross deferred tax asset (A)	458.27	577.24
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation/amortisation charged for the financial reporting	(107.17)	(197.44)
Gross deferred tax liability (B)	(107.17)	(197.44)
Net deferred tax asset (being restricted to DTL)	Nil	Nil

In view of there being no virtual certainty for availability of sufficient future taxable income against which the deferred tax assets as at March 31, 2015 can be realized, the same have not been recognized in accordance with Accounting Standard 22 "Accounting for Taxes on Income" notified under the Rules. Accordingly deferred tax asset has been recognized to the extent of deferred tax liability.

Note- 36 : PROVISION FOR DUES UNDER DISPUTE

The Company had imported refrigerators during the financial year ended March 31, 2009 by paying nil duty on such imports under the free trade agreement with Thailand. The custom authorities have challenged the classification under which the refrigerators were imported under concessional rate of duty. The dispute is pending with the CESTAT authorities. The company has made full provision of the demand made by the custom authorities along with the interest. The outstanding provision amount of Rs.20.80 Lakhs as on March 31, 2015 represents interest on the demand.

Note - 37 : PREVIOUS YEAR FIGURES

Previous year's figures have been regrouped wherever necessary to conform to the current year's classification.

As per our report of even date

**For and on behalf of the Board of Directors of
Sharp India Limited**

FOR S R B C & CO LLP
Firm Registration No. 324982E
Chartered Accountants

per Paul Alvares
Partner
Membership No. 105754

T. Isogai
Managing Director

M. Nakagawasai
Executive Director

M. Vaze
Company Secretary

Place : Pune
Date : May 26, 2015

Place : Pune
Date : May 26, 2015

Place : Pune
Date : May 26, 2015

Place : Pune
Date : May 26, 2015

Form No. MGT-11

PROXY FORM

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

CIN: L36759MH1985PLC036759

Name of the company: SHARP INDIA LIMITED

Registered office: Gat No.686/4, Koregoan Bhima, Taluka: Shirur, Dist: Pune - 412216

Name of the member(s):
Registered address:
E-mail ID:
Folio No./ Client Id:
DP ID:

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

- (1) Name: _____ Address: _____
E-mail Id: _____ Signature: _____ or failing him;
- (2) Name: _____ Address: _____
E-mail Id: _____ Signature: _____ or failing him;
- (3) Name: _____ Address: _____
E-mail Id: _____ Signature: _____

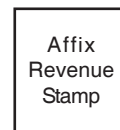
as my/ our Proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the Thirtieth Annual General Meeting of the Company, to be held on Wednesday, 30th September 2015 at 11.00 a.m. at Sharp India Limited, Gat No.686/4, Koregoan Bhima, Taluka: Shirur, Dist: Pune - 412216 and at any adjournment thereof in respect such resolutions as are indicated below:

Resolution No.	Resolution
Ordinary Business	
1	Adoption of Financial Statements, Directors' and Auditors' Report for the year ended 31st March, 2015
2	Re-appointment of Mr. Tomio Isogai as a Director, who retires by rotation and being eligible offers himself for re-appointment
3	To Ratify the Appointment of M/s. S R B C & Co., LLP, Chartered Accountants, as the Statutory Auditors of the Company
Special Business	
4	Appointment of Mr. Prashant Asher as an Independent Director of the Company
5	Appointment of Ms. Bhumika Batra as an Independent Director of the Company
6	To Appoint Mr. Kazunori Ajikawa as the Director of the Company
7	To Re-Appoint Mr. Masahiko Nakagawasai as an Executive Director of the Company for the period 28th May 2015 upto 14th August, 2015
8	To Ratify the Remuneration payable to the Cost Auditor- M/s.C.S.Adawadkar & Co., Cost Accountant for the financial year ending on 31st March 2016.

Signed this _____ day of _____ 2015

Signature of Shareholder: _____

Signature of Proxy holder: _____



NOTE:
This form of Proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company, at Sharp India Limited, Gat No. 686/4, Koregaon Bhima, Taluka: Shirur, Dist: Pune -412216 not less than FORTY-EIGHT (48) HOURS before the commencement of the Meeting.

SHARP INDIA LIMITED

CIN : L36759MH1985PLC036759

Registered Office : Gat No.686/4, Koregoan Bhima, Taluka: Shirur, Dist: Pune - 412216

BALLOT PAPER

(In lieu of Remote E- Voting)

Sr. No.	Particulars	Details
1	Name of First Named Shareholder	
2	Postal Address	
3	Registered Folio No. / * DP ID & Client ID	
4	No. of Shares held	

(*Applicable to investors holding shares in dematerialised form)

I/We hereby exercise my/our vote in respect of the Ordinary / Special Resolution(s) enumerated below, by recording my/our assent or dissent to the said Resolution(s) in the following manner :

No.	Item Description (For details, refer Notice of Thirtieth Annual General Meeting dated 14th August, 2015)	No. of Equity Shares held	I/We assent to the resolution (For)	I/We dissent to the resolution (Against)
Ordinary Business				
1	Adoption of Financial Statements, Directors' and Auditors' Report for the year ended 31st March, 2015			
2	Re-appointment of Mr. Tomio Isogai as a Director, who retires by rotation and being eligible offers himself for re-appointment.			
3	To Ratify the Appointment of M/s. S R B C & CO, LLP, Chartered Accountants, as the Statutory Auditors of the Company			
Special Business				
4	Appointment of Mr. Prashant Asher as an Independent Director of the Company			
5	Appointment of Ms. Bhumika Batra as an Independent Director of the Company			
6	To Appoint Mr. Kazunori Ajikawa as the Director of the Company			
7	To Re-Appoint Mr. Masahiko Nakagawasai as an Executive Director of the Company for the period 28th May 2015 upto 14th August, 2015			
8	To Ratify the Remuneration payable to the Cost Auditor- M/s. C. S. Adawadkar & Co., Cost Accountant for the financial year ending on 31st March 2016.			

Place : _____

Date : _____

Signature of the Shareholder(s)

INSTRUCTIONS

1. This Ballot Form is provided for the benefit of Members who do not have access to remote- e- voting facility.
2. Members may fill up the Ballot Paper by placing the tick (✓) mark at the appropriate box above and submit the same in a sealed envelope to the Scrutinizer, Mr. S. V. Deulkar, Partner of M/s. SVD & Associates, Practicing Company Secretaries, C/o. Sharp India Limited, Secretarial Department, Gat No. 686/4, Koregaon Bhima, Taluka: Shirur, Dist: Pune - 412 216 so as to reach not later than , Tuesday, 29th September 2015 by 5:00 p.m. Ballot Paper received thereafter will be treated as invalid.
3. The Company will not be responsible if the envelope containing the Ballot Paper is lost in transit.
4. Unsigned, incomplete or incorrectly ticked Ballot Papers are liable to be rejected and the decision of the Scrutinizer on the validity of the Ballot Papers will be final.
5. In the event member casts his votes through both the processes i.e. E-voting and Ballot Paper, the votes in the electronic system would be considered and the Ballot Paper would be ignored.
6. Votes should be cast in case of each resolution, either in favour or against by putting a tick (✓)mark in the column provided in the Ballot.
7. The voting rights of Members shall be in proportion to the shares held by them in the paid -up share capital of the Company as of the cut off date.

8. The right of voting by this Ballot Paper shall not be exercised by a proxy.
9. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the Registrar & Transfer Agent of the Company. Members are requested to keep the same updated.
10. There will be only one Ballot Paper for every Folio/ DP ID & Client ID irrespective of the number of joint members.
11. A member may request for a duplicate Ballot Form, if so required, However, duly filled in & signed duplicate form should reach the scrutinizer not later than the date and time specified in serial no. 2.
12. In case of joint holders, the Ballot Paper should be signed by the first named shareholder and in his/her absence by the next named shareholders. Ballot Paper signed by a joint holder shall be treated valid if signed as per records available with the Company and the Company shall not entertain any objection on such Ballot Paper signed by other joint holders.
13. Where the Ballot Paper has been signed by an authorized representative of the body corporate/Trust/Society, etc. a certified copy of the relevant authorization / Board resolution to vote should accompany the Ballot Paper.
14. The results of voting along with the Scrutinizer's Report shall be placed on the Company's website www.sharpindialimited.com and on the website of CDSL within two (2) days of passing of the resolutions at the Annual General Meeting of the Company and shall be communicated to the Stock Exchange where the Company is listed. viz; BSE Limited.
15. Instructions for remote e-voting procedure are available in the Notice of Annual General Meeting and are also placed on the website of the Company.

SHARP

REGISTERED / COURIER

If undelivered please return to :

Secretarial Department,
SHARP INDIA LIMITED
Gat No. 686/4, Koregaon Bhima,
Taluka Shirur, Dist. Pune - 412 216

SHARP

ISO:9001 & ISO:14001
Certified Company

SHARP INDIA LIMITED

Registered Office & Factory
Gat no. 686/4, Koregaon Bhima, Tal. Shirur
Dist.: Pune : Pin 412 216
Phones:(02137) 252417 (4 LINES)
(02137) 666520 (9 LINES)
Fax:(02137) 252453
Website:www.sharpindialimited.com

CIN : L36759MH1985PLC036759

SEC / BSE / 2015- 2016/ 137

29.08.2015

**Corporate Relationship Dept
Bombay Stock Exchange Limited
25th Floor, PJ Towers, Dalal Street,
Fort, Mumbai 400001**

Company Script Code No. : 523449

Dear Sir,

Sub: Notice of 30th Annual General Meeting

Pursuant to Clause 31 (c) of the Listing Agreement, enclosed please find a soft copy of the notice of our 30th Annual General Meeting to be held on Wednesday, 30th September 2015.

Kindly acknowledge receipt of the same.

Thanking you,
Yours faithfully,
For Sharp India Limited



Mayuresh Vaze
Company Secretary



SHARP INDIA LIMITED

Registered Office :

Gat No. 686/4, Koregaon Bhima, Tal. Shirur, Dist. Pune - 412 216

Ph No .02137-252417 Fax No.02137 -252453

Website : www.sharpindialimited.com

CIN:L36759MH1985PLC036759

NOTICE

Notice is hereby given that the 30th Annual General Meeting of the members of Sharp India Limited will be held at the Registered Office of the Company situated at Gat No. 686/4, Koregaon Bhima, Taluka Shirur, District Pune 412 216 on Wednesday, 30th September 2015 at 11:00 a.m. (I.S.T.) 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 on 31st March 2015 and the Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Mr. Tomio Isogai (DIN No. 03426524) who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 139,142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time and pursuant to the resolution passed by the Members at their 29th Annual General Meeting held on September 22, 2014, the appointment of M/s. S R B C & Co. LLP, Chartered Accountants (Firm's Registration No. 324982E), as Statutory Auditors of the Company has been made to hold the office till the conclusion of the 32nd Annual General Meeting of the Company, be and is hereby ratified for the financial year 2015-2016 at such remuneration as shall be fixed by the Board of Directors of the Company.

SPECIAL BUSINESS :

4. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Rules made there under, Mr. Prashant Asher (DIN No. 00274409), who was appointed as an Additional Director of the Company w.e.f. 11th November 2014 and who holds office up to the date of this Annual General Meeting but who is eligible for appointment and in respect of whom the company has received a notice in writing under section 160 of the Companies Act,, 2013 from a member proposing his candidature for the office of a Director be and is hereby appointed as an Independent Director of the Company for 5 (five) consecutive years with effect from 11th November 2014 up to 10th November 2019."

5. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Rules made there under, Ms. Bhumika Batra (DIN No.03502004), who was appointed as an Additional Director of the Company w.e.f. 11th November 2014 and who holds office up to the date of this Annual General Meeting but who is eligible for appointment and in respect of whom the company has received a notice in writing under section 160 of the Companies Act,, 2013 from a member proposing her candidature for the office of a Director be and is hereby appointed as an Independent Director of the Company for 5 (five) consecutive years with effect from 11th November 2014 up to 10th November 2019."

6. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an **ORDINARY RESOLUTION:**

"RESOLVED THAT Mr. Kazunori Ajikawa (DIN: 01637592) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 14th August 2015 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 ("Act") and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation."

7. To consider and, if thought fit, to pass, with or without modifications, the following resolution as a **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of section 196, 197, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to such other approvals as may be required read with articles 173, 175 and 176 of the Articles of Association of the Company, Mr. Masahiko Nakagawasai who was re-appointed as an Executive Director of the Company by the Board of Directors for a period of three years with effect from 28th May 2015 and who has resigned as an Executive Director as well as a Director of the Company with effect from 14th August 2015, the consent of the members of the Company is hereby given to the re- appointment of Mr. Masahiko Nakagawasai (DIN No. 05274985) as an Executive Director of the Company for a period from 28th May 2015 up to 14th August 2015 on the following terms of remuneration.

1. Salary of Rs.1,10,000 / - (Rupees One Lacs Ten Thousand Only) per month.
2. Rent free furnished residential accommodation together with necessities including gas, electricity, water, etc.
3. Reimbursement of medical expenses incurred in India for self and his family (spouse and children) if they reside in India.
4. Rental for the telephone facility at residence to be used for the business of the Company.
5. The Company will provide car and the company will bear the cost of fuel, maintenance ,road tax and insurance. The company will reimburse the expenses incurred on account of salary of the driver.
6. The Company will bear the actual expenses incurred for shifting his household goods to Japan on return from India to Japan on the expiry of his term.
7. Employers' Contribution to the Provident Fund as per the prevailing law.

The above perquisites granted to the Executive Director shall be evaluated on actual basis, Provided that the overall monthly remuneration payable to the Executive Director during his tenure shall not exceed the limits laid down in schedule - V of the Companies Act, 2013.

FURTHER RESOLVED THAT subject to Schedule - V of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 , the salary, perquisites, benefits and amenities as set out above be paid or granted to Mr. Masahiko Nakagawasai as the minimum remuneration during the term of Mr. Masahiko Nakagawasai's tenure as an Executive Director, notwithstanding that in any of the financial years, the company has made no profits or the profits made are inadequate.

8. To consider and, if thought fit, to pass, with or without modifications, the following resolution an **ORDINARY RESOLUTION:**



"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the Company be and is hereby accorded for payment of remuneration of Rs. 1,50,000/- (Rs. One Lakhs Fifty Thousand only) plus out of pocket expenses etc. for the financial year ending on March 31, 2016 to M/s. C.S.Adawadkar & Co., Practicing Cost Accountants, (Firm Registration No.100401) who are appointed as the Cost Auditors of the Company by the Board of Directors to conduct the audit of the cost records of the Company for the financial ending on 31st March 2016."

By Order of the Board of Directors
For Sharp India Limited



Mayuresh Vaze
Company Secretary
Membership No. ACS-19529

Date : 14th August 2015
Place : Pune

NOTES:

- The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 in respect of the special business under Item Nos. 4 to 8 above is annexed hereto.
- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIM AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Proxy Form (Form MGT-11) is attached elsewhere in this report. Kindly fill up appropriate details like your name, address, Folio No./ DPID & Client ID, and the details of the person(s) to be appointed as the proxy - name, address, email ID etc.. The proxy form should be signed by the shareholder and the proxy holder and a revenue stamp should be affixed at the place provided for the same. Proxies, in order to be effective, must be received at the Company's Registered Office not less than 48 hours before the meeting. Proxies submitted on behalf of companies, societies, partnership firms, etc. must be supported by appropriate resolution/ authority, as applicable, issued on behalf of the nominating organization. Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
- A statement giving details of the Directors to be newly appointed or reappointed is annexed herewith as required under clause 49 of the listing agreement.
- Members are requested to notify any change of address to their Depository Participants (DPs) in respect of their electronic share accounts and to the Registrars & Transfer Agents, Link Intime India Private Limited 202, 2nd Floor, Akshay Complex, Off Dhole Patil Road, Near Ganesh Mandir, Pune 411 001, in respect of their physical share folios.
- Members can avail of nomination facility. Blank Nomination forms will be supplied on request.
- Members who are holding shares in more than one folio under name(s) in the same order are requested to send the relative share certificates to the Registrar and Transfer Agents for consolidation of the entire holding in one folio. The share certificates after consolidation will be returned by registered post/courier.

- The Share Transfer Books and the Register of Members of the Company will remain closed from Saturday, 19th September 2015 to Wednesday, 30th September 2015 (both days inclusive).
- Members are requested to bring along with them a copy of the Annual Report as the same will not be distributed in the meeting.
- Members are requested to forward their queries on accounts at least 10 days in advance to enable us to reply the same.
- The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN details to their respective Depository Participants. Members holding shares in physical form are requested to submit their PAN details to the Company or its Share Registrars and Transfer Agents.
- Relevant documents referred to in the accompanying notice and the statement are open for inspection by the members at the registered office of the Company during the business hours on all the working days up to the date of 30th annual general meeting.
- In view of the 'Green Initiative' introduced by the Ministry of Corporate Affairs all the members who are holding shares of the Company in PHYSICAL Mode are requested to register their Email ID with the Company, so as to enable the Company to send all notices, /reports/ intimations and other correspondence etc. through Emails. i.e. in the electronic mode instead of receiving physical copies of the same. Members holding shares in DEMAT Mode, who have not registered their e-mail ID with the Depository Participant (DP) are also requested to register or update their email ID with the Depository Participant, so that all future shareholder's correspondence can be sent to the email ID registered with your DP.
- In compliance with the provisions of section 108 of the Companies Act, 2013, read with Rule 20 of The Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to the Members the facility to exercise their right to vote at the 30th Annual General Meeting (AGM) by electronic means (Remote E-Voting Facility) and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL). The instructions for members for voting electronically are as under:-

The instructions for shareholders voting electronically are as under:

- The voting period begins on Sunday, 27th September 2015 at 09:00 a.m. and ends on Tuesday, 29th September 2015 at 05:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, i.e. Wednesday, 23rd September 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5:00 p.m. on Tuesday, 29th September 2015.
- The shareholders should log on to the e-voting website www.evotingindia.com.
- Click on Shareholders.
- Now Enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.
- If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.



(vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the existing password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Note for Non - Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance

user would be able to link the account(s) for which they wish to vote on.

- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

14. Other information in respect of E- Voting / Voting on Resolutions by the members:.

I. Pursuant to Clause 35B of the Listing Agreement, Members who do not have access to e-voting facility may fill in the Ballot Paper enclosed elsewhere in this annual report (a copy of the same is also part of the soft copy of the Notice) and submit the same in a sealed envelope to the Scrutinizer appointed by the Board of Directors of the Company, Mr. S. V. Deulkar, Partner of M/s. SVD & Associates, Company Secretaries, at C/o Sharp India Ltd., Secretarial Department, Gat No. 686/4, Koregaon Bhima, Tal. : Shirur, Dist. Pune 412 216 so as to reach not later than Tuesday, 29th September, 2015 by 5:00 p.m. Ballot Paper received thereafter will be treated as invalid.

II. Facility of voting through Poll paper shall also be made available at the 30th Annual General Meeting. Members attending the Meeting, who have not already cast their vote by remote e-voting or through Ballot Form shall be able to exercise their right to vote at the 30th Annual General Meeting

III. Members who have cast their vote by remote e-voting or through ballot form prior to the meeting may also attend the meeting but shall not be entitled to vote again at the AGM.

IV. A member shall opt for only one mode of voting i.e either through e-voting or by Ballot Paper. If the member casts vote through both the modes, the votes in the electronic system would be considered and the Ballot Paper would be ignored.

V. Mr. S. V. Deulkar, Partner of M/s. SVD & Associates, Company Secretaries has been appointed as the Scrutinizer for scrutinizing the e-voting process in a fair and transparent manner.

VI. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than three days of conclusion of the meeting a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.

VII. The results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL within two days of the passing of the resolutions at the AGM and also will be communicated to the BSE Limited (BSE), where the shares of the Company are listed.

15. Route Map of the venue of the 30th Annual General Meeting is provided to you to make it convenient to you to attend the 30th Annual General Meeting.

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

ITEM NO. 4 to 5 :

Mr. Prashant Asher and Ms. Bhumika Batra have been appointed as the Non-Executive Independent Directors of the Company with effect



from 11th November 2014 for a period of five years subject to the approval of the members of the Company. As per the provisions of Section 149 of the Companies Act, 2013, which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company and is not liable to retire by rotation. Mr. Prashant Asher and Ms. Bhumika Batra have given a declaration to the Board that they meet the criteria of independence as provided under Section 149 (6) of the Companies Act, 2013. In the opinion of the Board, they fulfill the conditions specified in the Companies Act, 2013 and the Rules made there under for appointment as Independent Director and they are independent of the management. Taking into consideration, the experience and expertise of Mr. Prashant Asher and Ms. Bhumika Batra, their appointment as an independent director is justified.

In compliance with the provisions of Section 149 read with Schedule IV of the Companies Act, 2013, the appointment of Mr. Prashant Asher and Ms. Bhumika Batra, the Independent Directors is now being placed before the Members in General Meeting for their approval. The terms and conditions of appointment of Mr. Prashant Asher and Ms. Bhumika Batra pursuant to the provisions of Schedule IV of the Companies Act, 2013, shall be open for inspection at the Registered Office of the Company by any Member during normal business hours on any working day of the Company.

Mr. Prashant Asher and Ms. Bhumika Batra are interested and concerned in their respective resolution for appointment as an independent directors of the Company mentioned at Item 4 & 5 respectively. Other than Mr. Prashant Asher and Ms. Bhumika Batra no other director, key managerial personnel or their respective relatives are concerned or interested in these resolutions. They do not have any relationship with any other directors of the Company. The Board recommends these resolutions for acceptance by the members. Other information of these directors is provided below the explanatory statement and also forms part of the explanatory statement.

ITEM No. 6

The Board of Directors has appointed Mr. Kazunori Ajikawa as an Additional Director of the Company with effect from 14th August 2015. As per the provisions of Section 161(1) of the Companies Act, 2013, (the Act) Mr. Kazunori Ajikawa shall hold office as an Additional Director only up to the date of this Annual General Meeting of the Company, and is eligible for appointment as a Director.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Kazunori Ajikawa for the office of Director of the Company.

The matter regarding appointment of Mr. Kazunori Ajikawa as a Director was placed before the Nomination and Remuneration Committee and it has recommended his appointment.

Mr. Kazunori Ajikawa has given a declaration to the Board that he is not disqualified from being appointed as a Director in terms of Section 164 (2) of the Act and has given his consent to act as a Director. In the opinion of the Board, he fulfills the conditions specified in the Act and the Rules framed there under for his appointment.

In compliance with the provisions of Section 161 of the Act, the appointment of Mr. Kazunori Ajikawa as a Director is now being placed before the Members for their approval.

Except Mr. Kazunori Ajikawa none of the directors, key managerial personnel or their respective relatives are interested in this resolution. He does not have any relationship with any other director of the Company. It is considered desirable that the company should have benefit of his experience and advice. The Board recommends the resolution for acceptance by the members. Other information of Mr. Kazunori Ajikawa is provided below the explanatory statement and also forms part of this explanatory statement.

ITEM NO.7:

The First tenure of Mr. Masahiko Nakagawasai as an Executive Director of Sharp India Limited concluded on 27th May 2015. The Board of Directors of the Company in its meeting held on 26th May 2015 have re-

appointed Mr. Masahiko Nakagawasai as an Executive Director of the Company to hold office for a period of three years effective from 28th May 2015 to 27th May 2018. His appointment has been made under Schedule- V of the Companies Act, 2013. The Audit Committee has approved his appointment as an Executive Director of the Company for the aforesaid period of three years and the Nomination & Remuneration committee has approved the remuneration payable to him for the aforesaid period of three years in their respective meetings held on 26th May 2015. Mr. Masahiko Nakagawasai has resigned as an Executive Director as well as a Director of the Company with effect from 14th August 2015. Hence now the member's approval is sought for the re-appointment & remuneration payable to Mr. Masahiko Nakagawasai as an executive director of the company for the period from 28th May 2015 up to 14th August 2015 and the same is placed before the members of the Company for their approval.

The information as required to be given under Schedule V to the Companies Act, 2013 is as under: -

I. GENERAL INFORMATION:

- (1) Nature of Industry - Manufacture & sale of LCD & Air conditioners
- (2) Date or expected date of commencement of commercial operation: - The Company started its commercial operations from July 1986 .
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus - N.A
- (4) Financial Performance based on given indicators :

(Rs. In Lakhs)

Financial Parameters	2013-2014	2014-2015
Total Revenue (Net)	15428.84	18,903.77
Net Profit/ (Loss) for the year as per Profit & Loss Account	277.04	156.36
EPS	1.07	0.60

- (5) Foreign investments or collaborators, if any, as on 31.03.2015 -

The total Foreign Holdings in the company as on 31.03.2015 were 19,601,955 equity shares i.e. 75.55% of the total Paid up Capital. Out of that Sharp Corporation, Japan who is promoters of the company hold 19,458,000 equity shares i.e. 75% equity shares in the company. The company has a technical collaboration with Sharp Corporation - Japan for manufacture of Colour Televisions (CTVs) & LED TVs & air conditioners.

II. INFORMATION ABOUT THE APPOINTEE:

- (1) Background Details - Mr. Masahiko Nakagawasai a Japanese National, aged about 56 years, is a Bachelor of Economics from University of Fukushima, Japan. He has wide experience in the field of Accounts. He has held various positions in Sharp Group of Companies before joining Sharp India Limited
- (2) Past remuneration, Recognition & awards, Job profile & his suitability

Mr. Masahiko Nakagawasai was paid a remuneration of around Rs.15.18 Lacs (Salary & perquisites etc.) in the last financial year - 2014-2015 and he served his first term as an Executive Director of Sharp India Limited w.e.f 28th May 2012 for a period of three years. Mr. Masahiko Nakagawasai possesses a wide experience in the field of Accounts and his association with the company was of great help to the company. Subject to the superintendence, control and direction of the Board of Directors of the Company and also subject to the directions from time to time given by the Managing Director, Mr. Masahiko Nakagawasai has exercised the control and supervised the general conduct and management of the business and affairs of the Company save and except the matters which required approval of the Board under the



Companies Act, 2013 or any other Act or by the Company's Articles of Association. The Executive Director had exercised and performed such powers and duties as the Board of Directors of the Company from time to time determined and delegated.

- (3) Remuneration proposed - as set out in the resolution for the Item no.7. The remuneration to the Executive Director has the approval of the Nomination and Remuneration Committee.
- (4) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin) - Taking into consideration the size of the Company, the profile of Mr. Masahiko Nakagawasai, the responsibilities shouldered by him, the aforesaid remuneration package is commensurate with the remuneration package paid to managerial position in other Companies.
- (5) Pecuniary relationship directly or indirectly with the company, or relationship with managerial personnel, if any - Besides, the remuneration proposed, Mr. Masahiko Nakagawasai does not have any other pecuniary relationship with the Company.

III: Other Information:

- (1) Reasons for Loss or inadequate profit, Steps taken or proposed to be taken for improvement and Expected increase in productivity and profits in measurable terms:

Company has accumulated losses of past years but have made a profit of Rs.156.36 Lacs in the last financial year 2014-2015. Intense competition, increase in input cost and reduction in selling prices, fluctuations in the currency exchange rates, and seasonal demand for the air conditioners are affecting profitability of the company.

Company is trying its best to reduce the costs, introduce new features in features of its products & explore new markets etc. to improve its profitability. However it will be difficult to predict the same in measurable terms.

IV: DISCLOSURES :

The disclosures as required under this clause have been made separately in notice of the annual general meeting & also Corporate Governance section.

Except Mr. Masahiko Nakagawasai none of the directors, key managerial personnel or their respective relatives are interested in this resolutions. He does not have any relationship with any other director of the Company. It was considered desirable that the company should have benefit of his experience and advice. The Board recommends the resolution for acceptance by the members. Other information of Mr.Masahiko Nakagawasai is provided below the explanatory statement and also forms part of this explanatory statement.

ITEM NO.8:

The Ministry of Corporate Affairs vide its notification dated 31st December 2014 had mandated the Cost Audit of the Company for the financial year 2015-2016. The Board of Directors on the recommendation of the Audit Committee have appointed M/s. C. S. Adawadkar & Co., Practicing Cost Accountant as the 'Cost Auditor' of the Company for the financial year ending 31st March 2016 to audit the cost records of the Company. As per section 148 (3) of the Companies Act, 2013, read with Rule no.14 of the Companies (Audit & Auditors) Rules 2014 the remuneration payable to the 'Cost Auditor' requires to be ratified by the members of the Company. Accordingly members are requested to ratify the remuneration payable to the 'Cost Auditor' for the financial year ending 31st March 2016 as set out in the resolution for the aforesaid services to be rendered by them. None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution. The Directors recommend the resolution for acceptance by the members.

DISCLOSURES AND INFORMATION ABOUT DIRECTORS BEING APPOINTED OR REAPPOINTED AT THE ANNUAL GENERAL MEETING PURSUANT TO CLAUSE 49 (VIII) OF THE LISTING AGREEMENT:

- ▶ **Mr.Tomio Isogai:** Mr. Tomio Isogai is working as the Managing Director of the Company for a period of three years effective from 9th December 2012. Mr. Tomio Isogai has graduated in English from Kyoto University of Foreign Studies in the year 1979. He has an experience of about 34 years and has held various positions in Sharp Group of Companies in various fields which include Managing Director of some regional sales subsidiaries before joining Sharp India Limited.. He is also a Director in Sharp Business Systems (India) Private Limited. He is also a member of the Audit Committee of Sharp Business Systems (India) Private Limited and a member of the Audit Committee & Stakeholder's Relationship & Share Transfer committee of Sharp India Limited and also the Chairman of the Remuneration Committee of Sharp Business Systems (India) Private Limited. He is Chairman of the Risk Management Committee of Sharp India Limited. He does not hold any shares in the Company.
- ▶ **Mr.Prashant Asher:** Mr. Prashant Asher is a qualified Advocate and is a Partner at M/s. Crawford Bayley & Co., Advocates & Solicitors. He joined M/s.Crawford Bayley & Co, Advocates & Solicitors in the year 1995.He also serves on the Board of following Companies: Elof Hannson (India) Limited, ICC International Agencies Limited, Seenol Finance and Investments Private Limited, Lloyds Register Industrial Services (India) Private Limited, Hinduja Ventures Limited, Mandhana Industries Limited, Hinduja Group Limited and Hinduja Reality Ventures Limited. He is also the member of the following committees : Audit Committees of Sharp India Limited and Mandhana Industries Limited, Nomination & Remuneration Committees of : Sharp India Limited, Mandhana Industries Limited and Hinduja Ventures Limited, Hinduja Group Limited and Hinduja Reality Ventures Limited, and Corporate Social Responsibility Committee of Hinduja Ventures Limited. He is also the Chairman of the Stakeholder's Relationship & Share Transfer Committee of Sharp India Limited. He does not hold any shares in the Company
- ▶ **Ms. Bhumika Batra :** Ms. Bhumika Batra is a qualified Advocate and Company Secretary. She is an Associate Partner at M/s. Crawford Bayley & Co., Advocates & Solicitors. She joined M/s. Crawford Bayley & Co, Advocates & Solicitors on 1st May 2005. She is also the recipient of scholarship of London School of Economics for doing Masters in Law. She is practicing in the Corporate Laws. She serves on the Board of the Following Companies: Gangetic Hotels Private Limited, Raipur Treasure Island Private Limited, Jabalpur Treasure Island Private Limited, Surya Treasure Island Private Limited, Alliance Spaces Private Limited, Turning Point Estates Private Limited, AKME Rhine River Projects Private Limited, Master Voss International Projects Private Limited, Team Relocations India Private Limited, Petainer Innopac Packaging Private Limited, Hinduja Ventures Limited, Finolex J- Power Systems Limited, Hinduja Leyland Finance Limited, Kancor Ingredients Limited, Patel Integrated Logistics Limited and Hinduja Tech Limited. She is the member of the following committees : Audit Committees of Hinduja Leyland Finance Limited and Kancor Ingredients Limited, Risk Management Committee, Asset Liability Management Committee and Committee of Independent Directors of Hinduja Leyland Finance Limited, and Nomination & Remuneration Committee of Kancor Ingredients Limited, She is also Chairman of the Audit Committee & the Nomination & Remuneration Committee of Sharp India Limited. She does not hold any shares in the Company.
- ▶ **Mr. Kazunori Ajikawa :** He has been appointed as an Additional Director with effect from August 14,2015. He has held various positions in Sharp Corporation Japan and associate Companies. Mr. Kazunori Ajikawa has wide experience in the field of Sales and Marketing. He is also a Director on the Board of Sharp



Business Systems (India) Private Limited. He is also a member of the Nomination & Remuneration Committee and Risk Management Committee of the company. He does not hold any shares in the company.

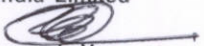
- ▶ **Mr. Masahiko Nakagawasai** : Mr. Masahiko Nakagawasai is aged about 56 years & is a Bachelor of Economics from University of Fukushima , Japan. He has a wide experience in the field of Accounts and has held various positions in Sharp Group of Companies before joining Sharp India Limited. He is also a director of Sharp Business Systems (India) Pvt. Ltd.

He was a member of Stakeholders Relationship & Share Transfer Committee and Risk Management Committee of Sharp India Limited. He does not hold any shares of the Company.

Mr. Tomio Isogai Managing Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible have offered himself for re- appointment.

By Order of the Board of Directors
For Sharp India Limited

Pune
14th August 2015


Mayuresh Vaze
Company Secretary
Membership No. ACS-19529

Route Map of 30th AGM Venue :

This route map is only meant for understanding the location of the 30th AGM.
30th AGM Venue (Sharp India Ltd) is around 3 K.M. away from Koregaon Bhima village

