



# SHARIKA ENTERPRISES LIMITED

CIN No. L27102UP1998PLC206404 | [www.sharikaindia.com](http://www.sharikaindia.com)

SEL/SE/2025-26/SEPT/03

September 01, 2025

The Manager (Listing)  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai 400 001

**Scrip Code: 540786**

**Sub: Submission of Annual Report for the Financial Year 2024-25**

Dear Sir/ Madam,

Please find enclosed herewith Annual Report for the Financial Year 2024-25 as required under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The Annual Report is being sent to the members who have registered their Email Ids with the Company/ Company Registrar and Share Transfer Agent/ Depositories. The members can also access the Annual Report on Company's website at <https://sharikaindia.com/pdf-2025/Final-Annual-Report-2024-25.pdf>.

Further, pursuant to Regulation 36(1)(b) of Listing Regulations, a letter providing the web-link of the Annual Report is being sent to those members who have not registered their e-mail id with the Company/ Company Registrar and Share Transfer Agent/ Depositories.

You are requested to take the same on your record.

Thanking You.

Yours Faithfully

For **Sharika Enterprises Limited**

---

**Pushpa Yadav**  
**Company Secretary & Compliance Officer**

**Encl: A/a**



+91 0120 4162100



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



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



SHARIKA ENTERPRISES LIMITED

# POWERING SMART GRID

ANNUAL REPORT 2024-2025

## CORPORATE INFORMATION

### BOARD OF DIRECTORS AS ON 31ST MARCH, 2025

Mr. Rajinder Kaul	Chairman & Managing Director
Mr. Sanjay Verma	Executive Director
Mr. Arvind Kumar Koul	Independent Director
Mrs. Saroj Chelluri	Independent Director
Mr. Shyama Prasad Mukherjee	Independent Director

### KEY MANAGERIAL PERSONNEL

Mrs. Garvita Asati	Chief Financial Officer
Ms. Pushpa Yadav	Company Secretary & Compliance officer

### REGISTERED OFFICE

C-504, ATS Bouquet, Sector-132,  
Noida, Uttar Pradesh, India, 201305  
Ph No: +91 120 4162100  
Email: info@sharikaindia.com

### STATUTORY AUDITORS

RDV & Associates, Chartered Accountants  
E-2/237, 3rd Floor, Shastri Nagar,  
Delhi - 110052

### BANKERS

The Jammu & Kashmir Bank Limited

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## BOARD'S REPORT

### TO THE MEMBERS OF SHARIKA ENTERPRISES LIMITED

The Directors are pleased to present the 27th (Twenty Seventh) Annual Report of the Company together with Consolidated and Standalone Audited Financial Statements of the Company for the Financial Year ended on March 31, 2025.

#### 1. FINANCIAL PERFORMANCE

(Rs. in Lakhs)

Particulars	Consolidated		Standalone	
	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
Revenue from Operations	8,171.10	7,842.43	7,950.16	7,841.10
EBITDA	188.70	315.74	318.61	345.47
Finance Cost (including interest)	177.92	137.36	170.72	124.13
Depreciation & Amortisation	70.25	74.68	64.23	57.07
<b>Profit (Loss) before Tax</b>	<b>(59.47)</b>	<b>103.70</b>	<b>121.87</b>	<b>176.01</b>
Tax Expense	(23.29)	(49.73)	(24.68)	(49.73)

##### Consolidated:

Revenue from operations for the Financial Year ending 31st March 2025 was Rs. 8,171.10 Lakhs as against Rs. 7,842.43 Lakhs for the previous Financial Year, an increase of 4.19%. Loss after tax for the year ended 31st March, 2025 is Rs. 36.18 Lakhs as compared to Profit of Rs. 153.42 lakhs in the previous year.

##### Standalone: -

Revenue from operation for the Financial Year under review was Rs. 7,950.16 Lakh as against Rs. 7,841.10 Lakhs for the previous financial year. Profit after tax for the year ended 31st March 2025 is Rs. 97.19 Lakhs as compared to Net Profit of Rs. 225.74 Lakhs in the previous year.

#### 2. SHARE CAPITAL

The paid-up Equity Share Capital of the Company as on March 31, 2025 was Rs. 21.65 Crores. There was no change in the share capital during the year under review.

#### 3. RESERVES

The Company has not transferred any amount to the Reserves during the year under review.

#### 4. DIVIDEND

In order to conserve the resources of the Company and to plough back the profits for growth, the Board of Directors of the Company have decided not to recommend any dividend on the equity shares of the Company for the Financial Year ended March 31, 2025.

#### 5. SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

The Company has two Wholly Owned Subsidiary Companies i.e., M/s Sharika Spintech Private Limited (Formerly known as Sharika Lightec Private Limited) and M/s Sharika Smartec Private Limited and One Subsidiary Company i.e., Contronics Switchgear India Private Limited & One Joint Venture Company i.e., M/s Elettromeccanica India Private Limited.

#### 6. CONSOLIDATED FINANCIAL STATEMENTS

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

#### 7. RESEARCH & DEVELOPMENT

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

#### 8. CORPORATE GOVERNANCE

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





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

## 9. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of Regulation 34 of SEBI Listing Regulations, a separate section on Management Discussion and Analysis and Corporate Governance Report together with a certificate from a Practicing Company Secretary confirming compliance with the Regulations relating to Corporate Governance of SEBI Listing Regulations (enclosed as **Annexure - A**) are set out and forms part of this Annual Report.

## 10. INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention and detection of fraud, error reporting mechanisms, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures. The Internal Financial control is supplemented by an extensive program of internal audit conducted by in house trained personnel on recommendation of the Audit Committee and the Board. The audit observations and corrective action, if any, taken thereon are periodically reviewed by the Audit committee to ensure effectiveness of the Internal Financial Control System. The internal financial control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data, and for maintaining accountability of persons.

## 11. INTERNAL CONTROLS SYSTEMS

The Internal Control systems are routinely tested and certified by Statutory Auditors as well as Internal Auditor and cover all key areas of business. Independence of the internal audit and compliance is ensured by direct reporting to the Audit Committee of the Board.

A Certificate pursuant to provisions of Regulation 17(8) of SEBI Listing Regulations certified by the Managing Director and Chief Financial Officer (CFO), forming part of the Corporate Governance Report, further confirms the existence and effectiveness of internal controls and reiterates their responsibilities to report deficiencies to the Audit Committee and rectify the same.

## 12. DIRECTORS & KEY MANAGERIAL PERSONNEL

### (I) Directors

### (a) Chairman

Mr. Rajinder Kaul is the Chairman of the Board.

### (b) Re-appointment and Appointment

Mr. Shyama Prasad Mukherjee was appointed as an Additional Director under the category of Independent Director of the Company by the Board of Directors in their meeting held on July 25, 2024. Further, the shareholders have approved his appointment at the Annual General Meeting dated September 26, 2024.

### (c) Status of Directors

S. No	Name of Directors	Designation
1.	Mr. Rajinder Kaul	Managing Director
2.	Mr. Sanjay Verma	Executive Director.
3.	Mr. Arvind Kumar Kaul	Non Executive - Independent Director
4.	Mr. Shyama Prasad Mukherjee	Non Executive - Independent Director
5.	Mrs. Saroj Chelluri	Non Executive - Independent Director

### (d) Cessation of Directors

During the year, Mr. Subir Mulchandani ceased to hold office as Director of the Company with effect from August 5, 2024.

### (e) Declaration from Independent Directors

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

### (II) Key Managerial Person

Pursuant to the provisions of sub-section (51) of Section 2 and Section 203 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following persons are the Key Managerial Personnel of the Company as on March 31, 2025:

- Mr. Rajinder Kaul, Managing Director
- Mrs. Garvita Asati, Chief Financial Officer and
- Ms. Pushpa Yadav, Company Secretary\*

\* Ms. Saumya Jaiswal has resigned from the post of Company Secretary and Compliance Officer of the Company with effect from March 07, 2025. Further, Ms. Pushpa Yadav has been appointed as the Company Secretary and Compliance Officer of the Company effective from March 19, 2025.



### 13. DIVERSITY OF BOARD

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

### 14. STATEMENT OF BOARD OF DIRECTORS

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

### 15. DECLARATION BY INDEPENDENT DIRECTOR

In terms of the provisions of sub-section (6) of Section 149 of the Act and Regulation 16 of SEBI Listing Regulations including amendment(s) and modification(s) thereof, the Company has received declarations from all the Independent Directors of the Company that they meet the criteria of independence, as prescribed under the aforesaid provisions of the Act and SEBI Listing Regulations. There has been no change in the circumstances affecting their status as an Independent Director during the year. Further, the Non-Executive Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses, if any, incurred by them for the purpose of attending meetings of the Board/Committee(s) of the Company.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and they hold highest standards of integrity to discharge their responsibilities with objective and independent judgement, free from external influence. As per the provision of Rule 6(4) of Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors of the Company have passed the online proficiency self-assessment test.

### 16. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

At the time of appointing a Director, a formal letter of appointment is given to him/her, which inter-alia explains the role, function, duties and responsibilities expected of them as a Director of the Company. The Director is also explained in detail the Compliance required from them under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirement)

Regulations, 2015 and other relevant regulations and affirmation taken with respect to the same.

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

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

### 17. EVALUATION OF BOARD'S PERFORMANCE

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

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

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

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

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

### 19. MEETING OF THE BOARD OF DIRECTORS

During the year under review, the Board of Directors



met nine times. The details are given in the Corporate Governance Report which forms part of the Annual Report. The intervening gap between the Meetings was within the period prescribed under Companies Act, 2013.

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

## **20. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Details of Loans covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements. The details of investment made during the year are set out in Note 54 to the Financial Statements of the Company.

## **21. DEPOSITS**

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

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

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

## **23. VIGIL MECHANISM / WHISTLE BLOWER POLICY**

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

## **24. REMUNERATION POLICY**

Pursuant to the provisions of Section 178(3) of the Companies Act, 2013 and applicable provisions of Listing Regulations, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, inter-alia, the criteria for determining qualifications, positive attributes and independence of a director, performance evaluation of the entire Board of the Company, its Committees and Individual Directors, including Independent Directors.

The Remuneration policy is directed towards rewarding

performance based on review of achievements. The members can download the complete Nomination and Remuneration policy on the Company's website at [www.sharikaindia.com](http://www.sharikaindia.com).

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

## **25. RELATED PARTY TRANSACTIONS**

With reference to Section 134(3)(h) of the Companies Act, 2013, all contracts and arrangements with related parties under Section 188(1) of the Act, entered into by the Company during the financial year, were in the ordinary course of business and on an arm's length basis. The details of the related party transactions as required under Accounting Standard-18 are set out in Note 42 to the financial statements forming part of this Annual Report.

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

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

## **26. ANNUAL RETURN**

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

## **27. RISK MANAGEMENT**

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

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

## **28. AUDITORS**

### **Statutory Audit:**

M/s. WDK & Associates, Chartered Accountants



(ICAI Firm's Registration No. 061389E), the existing Statutory Auditors of the Company, pursuant to completion of their term, retired from the conclusion of the 26th Annual General Meeting of the Company held in the calendar year 2024.

The Shareholders of the Company at the Annual General Meeting held on September 26, 2024 had, after considering the experience and expertise and on the recommendation of Board of Directors, appointed M/s. R D V & Associates, Chartered Accountants, (ICAI Firm Regn. No. 006128C), as Statutory Auditors of the Company, for a term of five consecutive years from the conclusion of 26th Annual General Meeting held in the year 2024 till the conclusion of 31st Annual General Meeting of the Company to be held in the Calendar Year 2029.

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

#### **Secretarial Audit:**

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

The Secretarial Auditor had submitted their report, confirming compliance by the Company of all the provisions of the applicable corporate laws. The Secretarial Audit Report is annexed herewith as **Annexure-B** to this report.

#### **Cost Audit:**

Pursuant to the provisions of Section 148 of the Companies Act, 2013 the Central Government has prescribed maintenance and audit of cost records vide the Companies (Cost Records and Audit) Rules, 2014 to such class of Companies as mentioned in the Table appended to Rule 3 of the said Rules. During the year under review, maintenance of cost records and cost audit provisions were not applicable to the Company.

### **29. AUDITOR'S REMARKS**

The Auditors' remarks on the annual accounts are self-explanatory and do not require further comments from the Company.

### **30. CHANGE IN NATURE OF BUSINESS, IF ANY**

During the year under review, the Company had

altered its Main Objects as stated in the Memorandum of Association (MOA) pursuant to the approval of the shareholders by way of a special resolution passed through Postal Ballot dated March 19, 2025.

As a result of this alteration, the Company has expanded and diversified its operations from engaging in the transmission and distribution of power, along with providing consultancy services in power and energy projects to engaging in Automation, Supervisory Control and Data Acquisition (SCADA) Systems, Advanced Distribution Management Systems (ADMS), Smart Grid Technologies, and Engineering, Procurement & Construction (EPC) and other works related to power distribution and transmission networks.

### **31. CORPORATE SOCIAL RESPONSIBILITY**

Your Company does not fall within the criteria pursuant to provisions of Section 135 of the Companies Act, 2013 pertaining to Corporate Social Responsibility (CSR). Hence, the Company has neither formed CSR Committee nor devised a CSR Policy.

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

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

### **33. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**

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

### **34. LISTING WITH STOCK EXCHANGES**

The Company confirms that it has paid the Annual Listing Fees for the financial year to BSE Limited where the Company's equity shares are listed.

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

Sharika Enterprises has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder for prevention and redressal of complaints of sexual harassment at workplace.

The Company has complied with provisions relating to the constitution of Internal Complaints Committee





under the said act. There have been no complaints of sexual harassment received during the year.

Particulars	No. of Complaint(s)
Complaints as on April 01, 2024	Nil
Complaints received during the FY 2024-25	Nil
Complaints disposed during the FY 2024-25	Nil
Complaints pending for more than 90 days	Nil
Complaints as on March 31, 2025	Nil

### 36. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

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

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

### 37. DIRECTORS' RESPONSIBILITY STATEMENT

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

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any.
- Accounting policies selected were applied consistently. Reasonable and prudent judgments and estimates are made so as to give a true and fair view of the state of affairs of the Company as of 31st March, 2025 and of the profits of the Company for the year ended on that date.
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- The annual accounts of the Company had been prepared on a going concern basis.
- Proper Internal Financial Controls were in place and such Financial Controls were adequate and were operating effectively.
- Proper systems to ensure compliance with the provisions of all applicable laws were in place and such systems were adequate and operating effectively.

### 38. SECRETARIAL STANDARDS

During the year 2024-25, the Company has complied with applicable Secretarial Standards issued by the Institute of the Company Secretaries of India.

### 39. MATERNITY BENEFIT COMPLIANCE

The Board places on record its assurance that the Company has maintained a compliant and supportive environment in accordance with the spirit and intent of the Maternity Benefit Act, and will continue to enhance employee-centric practices that promote diversity, equity, and inclusion across the organization.

### 40. OTHER DISCLOSURES

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

- pendency of any proceeding under the Insolvency and Bankruptcy Code, 2016; and
- instance of one-time settlement with any bank or financial institution.

### ACKNOWLEDGEMENT

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

For and on behalf of the Board of Directors,

**Sharika Enterprises Limited**

**Date:** August 8, 2025

**Place:** Noida, Uttar Pradesh

**Rajinder Kaul**

**Managing Director**



ANNEXURE-A

**PRACTISING COMPANY SECRETARY CERTIFICATE FOR COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATION 2015**

To

The Members

**M/S SHARIKA ENTERPRISES LIMITED**

**Regd. Office:** 504 Block C, Project ATS Bouquet,  
Sector-132, Noida, Uttar Pradesh- 201305 IN

- 1) We have examined the compliance of the conditions of Corporate Governance by **SHARIKA ENTERPRISES LIMITED** ('the Company') for the year ended on March 31, 2025, as stipulated under Regulations 17 to 27, clauses (b) to (i) of Sub-regulation (2) of Regulation 46 and para- C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").
- 2) The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
- 3) In our opinion and to the best of our information and according to the explanations given to us, and the responsibilities made by the Directors and the management we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2025.
- 4) We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

**CS Jaivindra Singh**  
**Proprietor**

**M. No.:** 67462

**COP No.:** 25169

**Peer review No.:** 6282/2024

**UDIN:** A067462G000912603

Date :01/08/2025

Place : Noida, UP



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

**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2025**

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To

The Members

**M/s SHARIKA ENTERPRISES LIMITED**

**Regd. Office:** 504 Block C, Project ATS Bouquet,

Sector-132, Noida, Uttar Pradesh- 201305 IN

**Add. to maintain books of account:** 504 Block C, Project ATS Bouquet, Sector 132, Gejha, Noida, Gautam Buddha Nagar, Uttar Pradesh- 201304 IN

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s SHARIKA ENTERPRISES LIMITED** having CIN: L27102UP1998PLC206404 (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 my opinion thereon.

Based on my 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, 2025 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I 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, 2025 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; Not Applicable to the Company during the Audit Period.
  - (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; Not Applicable to the Company during the Audit Period.
  - (f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; Not Applicable to the Company during the Audit Period.
  - (g) 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;
  - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; Not Applicable to the Company during the Audit Period.
  - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; Not Applicable to the Company during the Audit Period.
- (vi) Indian Stamp Act, 1899;



- (vii) Indian Contract Act, 1872;
- (viii) Income Tax Act, 1961 and indirect tax laws;
- (ix) Applicable Labour Laws; and
- (x) Other applicable laws

Having regard to the compliance system prevailing in the Company and on the basis of presentation and Reports made by statutory Auditors of the Company, I further report that the Company has adequate system to ensure the compliance of the other applicable laws specifically to the Company.

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

- Secretarial Standards issued by The Institute of Company Secretaries of India.
- Listing Agreements entered by the Company with BSE Limited and also with the provisions of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable during the period under review.

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

I further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Minutes of the meetings were in compliance with the Secretarial standards laid down by ICSI.
- All decisions at Board Meetings and Committee Meetings are carried out by unanimously/majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

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

**CS Jaivindra Singh**  
**Proprietor**  
**M. No.: 67462**  
**COP No.: 25169**  
**Peer review No.: 6282/2024**  
**UDIN: A067462G000724679**

Date: 07.07.2025  
Place: Noida

**Note:** This report is to be read with our letter of even date which is annexed as Annexure I herewith and forms as integral part of this report.





To

The Members

**M/s SHARIKA ENTERPRISES LIMITED**

**Regd. Office:** C-504, Fifth Floor, ATS Bouquet, Jaypee Kosmos Road, A-2/2,  
Sector-132, Noida, Nagla Charandas, Gautam Buddha Nagar,  
Dadri, Uttar Pradesh- 201305 IN

My Report for the financial year ended March 31<sup>st</sup>, 2025 of even date is to read along with this letter.

1. Maintenances of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.  
  
The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I have followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of the financial records and Books of the Company.
4. Where ever required, I have obtained the Management representation about the compliances of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Jaivindra Singh & Associates**  
**(Company Secretaries & Trademarks Agents)**

**CS Jaivindra Singh**  
**Proprietor**

**M. No.:** 67462

**COP No.:** 25169

**Peer review No.:** 6282/2024

**UDIN:** A067462G000724679

Date: 07.07.2025

Place: Noida



### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To

The Members

M/S SHARIKA ENTERPRISES LIMITED

Regd. Office: 504 Block C, Project ATS Bouquet,  
Sector-132, Noida, Uttar Pradesh- 201305 IN

We Jaivindra Singh & Associates, Company Secretaries have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **SHARIKA ENTERPRISES LIMITED** having CIN: L27102UP1998PLC206404 and having registered office at C-504, ATS Bouquet, Sector-132, Noida, Gautam Buddha Nagar, Uttar Pradesh- 201305 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub Clause 10 (i) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications including Directors Identification Number (DIN) status at the portal ([www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	Name of Directors	DIN	Date of Appointment in Company
1.	Mr. Rajinder Kaul	01609805	06/05/1998
2.	Mr. Sanjay Verma	08139841	30/05/2018
3.	Mr. Arvind Kumar Koul	09045833	01/02/2021
4.	Mr. Shyama Prasad Mukherjee	10663984	25/07/2024
5.	Mrs. Saroj Chelluri	10380648	09/11/2023

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

For Jaivindra Singh & Associates  
Company Secretaries

CS Jaivindra Singh  
Proprietor  
M. No.: 67462  
COP No.: 25169  
Peer review No.: 6282/2024  
UDIN: A067462G000912781

Date: 01.08.2025  
Place: Noida



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

**A. CONSERVATION OF ENERGY**

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

Improvement in energy efficiency continues to be a priority across Sharika's operations. The following initiatives were implemented during the year:

- Adopted a centralized HVAC control system with IoT-based monitoring to optimize cooling loads and achieve ~28% reduction in electricity consumption.
- Expanded the use of natural daylight harvesting systems in office and workshop areas to reduce lighting energy usage.
- Deployed solar-based street lighting across both operational sites and selected client installations in J&K and Punjab.

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

- Expanded evaluation of renewable energy options, including hybrid solar-wind solutions for client substations.
- Incorporated battery energy storage systems (BESS) for improved reliability in renewable power supply.
- Piloted microgrid solutions for remote client locations, integrating solar with diesel generator optimization.

**(iii) Capital investment on energy conservation equipment during the year:**

- Invested in smart energy meters for monitoring and controlling energy consumption across operations.
- Installed energy-efficient transformers and LED lighting systems in office

**B. TECHNOLOGY ABSORPTION**

**i) Efforts made towards technology absorption:**

- Strengthened in-house R&D for developing indigenous solutions in control & relay panels, VCB panels, and feeder automation systems.
- Collaborated with Korean & Brazilian partners for technology transfer, focusing on smart load break switches and substation automation systems.
- Enhanced workforce skills through OEM-led training programs on EHV cable laying, SCADA integration, and IoT-based monitoring systems.
- Conducted advanced training via IEEMA and CBIP for engineers, focusing on smart grid technologies and AI-based fault diagnostics.

**ii) The benefits derived are:**

- Enhanced product reliability and reduced dependence on imported components.
- Improved service efficiency and project delivery timelines.
- Developed indigenous manufacturing capabilities for switchgear controllers and medium-voltage automation systems.

**iii) Imported technology (Imported during the last 3 years reckoned from the beginning of the financial year)**

- Details of Technology: Medium Voltage SMART Load Break Switch
- Year of Import: 2023
- Status: Partially absorbed; integration with SCADA and remote control systems under progress.
- Plan: Complete technology absorption by FY 2027 with localized manufacturing of key components.

**iv) Expenditure incurred on Research and Development:**



S. No.	Particulars	Rs. Lacs (approx.)
(a)	Capital	NIL
(b)	Recurring	0.00
(c)	Total	0.00
(d)	Total R&D expenditure as percentage of net sales	0.00

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

Particulars	2024-25 (Lakhs)	2023-24 (Lakhs)
Foreign Exchange outgo in terms of actual outflows	USD 2.00	USD 3.61 & Euro 0.23
Foreign Exchange earned in terms of actual inflows	USD 4.88	USD 8.32





ANNEXURE – D

(THIS REPORT FORMS PART OF DIRECTORS' REPORT)

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

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

Name of the Director	Ratio
Mr. Rajinder Kaul	5.1
Mr. Sanjay Verma	5.1
<b>Note:</b> For this purpose, Sitting Fees paid to the Directors have not been considered as remuneration.	

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

Name	Designation	% increase
Mr. Rajinder Kaul	Managing Director	NIL
Mrs. Garvita Asati	Chief Financial Officer	10%
Ms. Saumya Jaiswal*	Company Secretary	-
Ms. Pushpa Yadav**	Company Secretary	-

\*Appointed on November 09, 2023 & Resigned on March 07, 2025

\*\* Appointment on March 19, 2025

3. Percentage increase in the median remuneration of all employees in the Financial Year 2024-25: 8%.
4. Number of Permanent employees on the rolls of Company as on 31<sup>st</sup> March, 2025: 55.
5. Average percentage increase made in salary of employees other than the Managerial Personnel in the last Financial Year and its comparison with the percentage increase in the Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration:

Average increase in remuneration for Employees other than Managerial Personnel and for Managerial Personnel is 8% and 10% respectively.

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

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

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

**General Note:**

- Managerial Personnel includes Whole-time Director.



## MANAGEMENT DISCUSSION & ANALYSIS REPORT

### Industry Structure & Developments:

Incorporated in 1998, Our Company started with a business of Engineering Procurement Construction (EPC) contracts, specialized assembling, trading activities, Erection Services, representation services to major global players in power Generation, Transmission and Distribution sector. We have grown consistently over the years and widened our portfolio.

Our Company is headquartered in Noida, Uttar Pradesh and with having assembling unit at B-72, Sector 80, Noida, Uttar Pradesh. Also, our Company is an ISO 9001:2015 certified for providing Consultancy, Project Management, EPC Contracts in field of Power Generation, Transmission and Distribution. We operate in the infrastructure sphere in India focusing on the power sector and work with key international and Indian OEMs and technology owners and involved in project management/EPC contracts. We have a demonstrated history of delivering complex projects outside India as well now providing bundled turn key solutions involving Remote Telemetry & Control, SCADA/DMS, City-wide Fibre Optic & Private Radio network for real time operations of distribution network.

During the year, Sharika Enterprises Limited continued its strategic transition from an EPC and system integration background to becoming a front-runner in the digitalization of infrastructure. Leveraging our deep understanding of power distribution utilities, their operational dynamics, and business challenges, we have repositioned ourselves in a market-driving role. Our focus has been on delivering India-made SCADA/ADMS solutions, filing patents in reactive power management, and developing innovative tools that enable dispatchability of reactive power for more efficient distribution system operations.

In parallel, we have accelerated our efforts in indigenization of IoT-embedded intelligent switchgear, advanced fault detection systems, and digital grid enablers, aligning with the nation's vision of self-reliance in critical infrastructure. Supported by strong demand for modernization of distribution networks and growing emphasis on digital technologies, the Company is now entering a new phase of growth. With innovation, localization, and customer-centricity at the core, Sharika Enterprises Limited is well positioned to lead the digital transformation of India's power distribution sector.

Sharika has a robust team of technocrats with and accumulated experience of more than 150 years, including docrates. With learning & innovation as one of the major pillars of "Sharika Values", we have a sharp focus on education, and hence have made "Centre of Excellence" at MSRIT, Bangalore a reality, where utilities and fellows from Power fraternity can come and do research and utilize state of the art grid simulation tools. We hope to train utilities on digital solutions that can help them manage their power systems in more efficient and effective manner.

### Opportunities & threats:

Capital markets at present are going through turbulent times. Although the inflation has remained steady during the year but

it is still under pressure due to hike in petrol prices, burden of diesel subsidies, high fiscal deficit, etc. However, we feel that the opportunities will soon arise in the markets upon the corrective policies by the government and better fiscal management which will strengthen the economy. Especially in Power & Infrastructure Sector, Government's push for "Make in India" will create good opportunities for local players in Technology Segment.

However, due to surge in Renewable generation, rapid infrastructure growth, surge in Grid Scale Battery Storage, EVs and demand for local manufacturing, the energy markets are expected to have a strong growth for next 10 years. Sharika is going to be among top 5-6 players in field of Advanced Distribution Management Systems in India.

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

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

S. NO.	PARTICULARS	FOR THE YEAR ENDED ON MARCH 31, 2025	FOR THE YEAR ENDED ON MARCH 31, 2024	CHANGES BETWEEN CURRENT FY & PREVIOUS FY
1.	Current Ratio	1.35	1.78	-42.8%
2.	Debt Equity ratio	0.55	0.33	22.4%
3.	Operating Profit Margin	0.040	0.044	-9.09%
4.	Net Profit Margin	0.01	0.03	-1.6%
5.	Interest Coverage Ratio	2.40	3.07	-21.82%
6.	Return on Net Worth	0.03	0.08	-5.0%

### Segment Wise or Product Wise Performance

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

### Outlook

Company has expanded and diversified its operations from engaging in the transmission and distribution of power, along with providing consultancy services in power and energy projects to engaging in Automation, Supervisory Control and Data Acquisition (SCADA) Systems, Advanced Distribution Management Systems (ADMS), Smart Grid Technologies,



and Engineering, Procurement & Construction (EPC) and other works related to power distribution and transmission networks.

### **Risks & Concerns**

Your Company at present is exposed to the normal industry risk factor of volatility in interest rate, economic cycle and credit risk. A brief of the risks the Company is exposed to is enumerated below:

#### **The Competition Risk**

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

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

#### **Customer Attrition Risk**

All customers are sensitive to quality, delivery and price.

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

#### **People Risk Management**

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

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

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

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

#### **Security Risk Management**

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

- i) Fire Risk
- ii) Marine risk

- iii) Burglary risk
- iv) Group Personal Accident Policy
- v) Other Miscellaneous Policies.

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

#### **Foreign Exchange Risk**

The Company is exposed to foreign exchange risk mainly due to imported raw materials and finished products. Since we are a net foreign exchange earner on an overall basis it may be stated that there is an exposure to the risk of Indian rupee appreciating against other foreign currencies.

#### **Adequacy of Internal Control**

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

#### **Operational & Financial performance**

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

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

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

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

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

#### **Cautionary statement**

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



## CORPORATE GOVERNANCE REPORT

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

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

Corporate governance implies the method or measures taken to govern the Company in such a manner so as to ensure more accountability of Board of Directors towards the Shareholders and other stakeholders. It defines the role of Board of Directors, establishing director's accountability to the Shareholders, investors and interest group, setting out guidelines for more effective and new quality of performance, changing the face of relation between the Board and Executive Officers.

Your Company is committed to adopting the best global practices of Corporate Governance. The philosophy of Corporate Governance as manifested in the Company's functioning is to achieve business excellence by enhancing long-term shareholder's value and interest of its entire shareholders.

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

The Company's compliance of Corporate Governance guidelines of the **SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015** is as follows:

### II. BOARD OF DIRECTORS

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

#### A. COMPOSITION OF THE BOARD AND RECORD OF OTHER DIRECTORSHIP

The Board of Directors of the company comprises of an optimum combination of Executive and Non-Executive Directors headed by an Executive Chairman. The present strength of Board of Directors as on 31<sup>st</sup> March, 2025 is five directors, as detailed below.

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

The structure of the Board and record of other Directorships and Committee Memberships and Chairmanships as on 31<sup>st</sup> March, 2025 is as under:

#### A. Skills/Expertise/Competence of the Board of Directors

Name/ DIN	Category	Designation	No. of other Directorships held in Public Companies	No. of Chairmanships /Memberships of Other Board Level Committees		Shareholding (as on 31 <sup>st</sup> March 2025)
				Member ship	Chairman ship	
Mr. Rajinder Kaul (DIN:01609805)	Managing Director (Promoter)	Director	-	1	-	79,04,000
Mr. Sanjay Verma (DIN: 08139841)	Executive Director	Director	-	1		43,42,565
Mr. Arvind Kumar Koul (DIN: 09045833)	Non- Executive Independent Director	Director	-	2	1	-
Mrs. Saroj Chelluri (DIN: 10380648)	Non-Executive Independent Director	Director	-	2	1	10,000
Mr. Shyama Prasad Mukherjee (02758995) (DIN : 10663984)	Non-Executive Independent Director	Director	-	2	-	-

#### NOTE:

- The Directorship held by Directors as mention above; does not include Alternate Directorship, Directorship in foreign companies, companies registered under section 8 of the Companies Act, 2013 and private limited companies.
- Membership(s) / Chairmanship(s) of any of the Audit Committee and Stakeholder Relationship Committee in all public limited companies (including Sharika Enterprises Limited) have been considered.
- None of the Directors are a member of more than 10 Board-level committees of public Companies in which they are Directors, nor a Chairpersons of more than 5 such committees.





- (iv) None of the Independent Directors of the Company serve as an Independent Director in more than seven Listed Companies and where any Independent Director is serving as whole-time director in any listed company, such director is not serving as Independent Director in more than three listed companies.

\*Mr. Shyama Prasad Mukherjee appointed on the Board with effect from July 25, 2024.

**Name of other listed entities where Directors of the Company serve as Directors and the category of Directorship:**

Name of the Directors	DIN	Name of listed entities in which the concerned Director is a Director	Category of Directorship
Mr. Rajinder Kaul	01609805	-	-
Mr. Sanjay Verma	08139841	-	-
Mr. Arvind Kumar Kaul	09045833	-	-
Mrs. Saroj Chelluri	10380648	-	-
Mr. Shayma Prasad Mukherjee	10663984	-	-

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

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

**B. BOARD MEETINGS:**

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

The months for holding the Board Meetings in the ensuing year are usually decided in advance and mostly the Board Meetings are held at C-504, Fifth Floor, ATS Bouquet, Sector-132, Noida,

Uttar Pradesh 201305. The Company Secretary drafts the agenda for each meeting, along with explanatory notes, and the same is distributed in advance to the Directors. The Board meets at least once in a quarter to review the quarterly results and other business items on the agenda.

**2. BOARD MEETING HELD DURING THE F.Y. 2024-25 AND ATTENDANCE OF DIRECTORS**

The Board met nine times during the Financial Year 2024-25 on 27th May, 2024, 28th June, 2024, 16th July, 2024, 25th July, 2024, 28th August, 2024, 14th November, 2024, 11th February, 2025, 19th March, 2025 and 31st March, 2025. The maximum time gap between any two meetings was not more than four months. The following table gives the attendance record of the Board Meetings.

**3. ATTENDANCE AT AGM**

Following Directors attended the AGM held on 26<sup>th</sup> September, 2024, through VIDEO CONFERENCING

- Mr. Rajinder Kaul
- Mr. Sanjay Verma
- Mr. Arvind Kumar Koul
- Mrs. Saroj Chelluri
- Mr. Shayama Prasad Mukherjee

Name of Director	No. of meetings held during the tenure of Directors	No. of meetings Attended
Mr. Rajinder Kaul	9	9
Mr. Sanjay Verma	9	9
Mr. Arvind Kumar Koul	9	9
Mr. Subir Mulchandani *	4	0
Mrs. Saroj Chelluri	9	9
Mr. Shyama Prasad Mukherjee**	5	5

\* Mr. Subir Mulchandani, ceased to be member of the Board w.e.f August 05, 2024.

\*\* Mr. Shyama Prasad Mukherjee was appointed as the Additional Director under the category of Independent Director at the Board Meeting dated July 25, 2024 and shareholders approved his appointment at the Annual General Meeting held on September 26, 2024.



#### 4. AVAILABILITY OF INFORMATION TO THE BOARD

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

#### C. FAMILIARISATION PROGRAMME FOR DIRECTORS

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

At the time of appointing any Director, a formal letter of appointment is given to them, which inter alia explains the role, function, duties and responsibilities expected of them as a Director of the Company. The Director is also explained in detail the Compliance required from them under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and other relevant regulations and affirmation taken with respect to the same. The Chairman also has one to one discussion with the newly appointed Director to familiarize them with the Company's operations. Further the Company has put in place a system to familiarize the Independent Directors about the Company, its products, business and the on-going events relating to the Company.

The web link for the Familiarization Programme for Independent Directors is <https://sharikaindia.com/investors/>.

#### D. BOARD LEVEL COMMITTEES

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

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

##### 1. AUDIT COMMITTEE

##### ➤ TERMS OF REFERENCE

The Audit Committee acts as a link between the Statutory and the Internal Auditors and Board of Directors. The purpose of the Committee is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting process, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's Statutory and Internal Audit Activities. Majority of the members are Non-Executive Directors and each member has rich experience in financial sector. The Committee is governed by a charter which is in line with the regulatory requirements mandated by the Section 177 of the Companies Act, 2013 and Part C of Schedule II of SEBI (Listing Obligations and

Disclosure Requirements) Regulations, 2015.

##### ➤ COMPOSITION OF THE AUDIT COMMITTEE

The Audit Committee consists of the following four members and every member of the Committee possesses a strong financial management and accounting background as on 31<sup>st</sup> March, 2025:

**Chairman** : Mr. Shyama Prasad Mukherjee

**Members** : Mr. Rajinder Kaul  
Mr. Arvind Kumar Koul  
Mrs. Saroj Chelluri

\*Mr. Shayama Prasad Mukherjee was appointed as the Chairman of committee with effect from 25<sup>th</sup> July, 2024.

##### ➤ MEETINGS AND ATTENDANCE DURING THE YEAR

The Audit Committee met five times during the Financial Year 2024-25 on 27<sup>th</sup> May, 2024, 25<sup>th</sup> July, 2024, 28<sup>th</sup> August, 2024, 14<sup>th</sup> November, 2024, 11<sup>th</sup> February, 2025. The attendance of Audit Committee members is as follows:

Name of the Audit Committee Members	Number of Audit Committee Meetings	
	Held during the tenure of Directors	Attended
Mr. Subir Mulchandani *	2	0
Mr. Shyama Prasad Mukherjee **	3	3
Mr. Rajinder Kaul	5	5
Mrs. Saroj Chelluri	5	5
Mr. Arvind Kumar Koul	5	5

\*Mr. Subir Mulchandani ceased to be Member & Chairperson w.e.f. 5<sup>th</sup> August, 2024.

\*\* Mr. Shyama Prasad Mukherjee appointed as a Member & Chairperson w.e.f. 25<sup>th</sup> July 2024

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

##### ➤ TERMS OF REFERENCE

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

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

##### ➤ COMPOSITION OF SRC

The Stakeholders Relationship Committee is headed by an Independent Director and presently consisted of the



following members as on March 31, 2025.

**Chairman** : **Mr. Arvind Kumar Koul**

**Members** : Mr. Sanjay Verma  
Mrs. Saroj Chelluri  
Mr. Shyama Prasad Mukherjee\*

\*Mr. Shyama Prasad Mukherjee was appointed as the member of committee with effect from 25<sup>th</sup> July, 2025.

#### ➤ MEETING AND ATTENDANCE DURING THE YEAR

The Committee met four times during the Financial Year 2024-25 on 27<sup>th</sup> May, 2024, 25<sup>th</sup> July, 2024, 14<sup>th</sup> November, 2024, 11<sup>th</sup> February, 2025. The following table gives the attendance record of the Stakeholder Relationship Committee.

Name of the Director	Number of SRC Meetings	
	Held during the tenure of Directors	Attended
Mr. Arvind Kumar Koul	4	4
Mr. Subir Mulchandani*	2	0
Mrs. Saroj Chelluri	4	4
Mr. Sanjay Verma	4	4
Mr. Shyama Prasad Mukherjee**	2	2

\*Mr. Subir Mulchandani ceased to be member w.e.f 5<sup>th</sup> August, 2024.

\*\*Mr. Shyama Prasad Mukherjee appointed as a member w.e.f. 25<sup>th</sup> July, 2024.

#### COMPLIANCE OFFICER

The Compliance Officer for this Committee, at present, is Ms. Pushpa Yadav, Company Secretary.

#### ➤ SHAREHOLDER'S COMPLAINTS RECEIVED / RESOLVED DURING THE FY 2024-25

During the year from April 01, 2024 to March 31, 2025 the Company received nil complaints from various Investors / Shareholders' relating to non-receipt of Dividend / Bonus Shares / Transfer of Shares / Dematerialization of Shares / Annual Report etc. As on March 31, 2025, no complaint was pending for redressal.

#### ➤ PENDING SHARE TRANSFER

There are no pending share transfers as on March 31, 2025.

### 3. NOMINATION AND REMUNERATION COMMITTEE

#### ➤ TERMS OF REFERENCE

This Committee shall identify the persons, who are qualified to become Directors of the Company who may be appointed

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

#### ➤ COMPOSITION

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

**Chairman** : Mrs. Saroj Chelluri  
**Members** : Mr. Arvind Kumar Koul  
Mr. Shyama Prasad Mukherjee

\*Mr. Shyama Prasad Mukherjee was appointed as the member of committee with effect from 25<sup>th</sup> July, 2024.

\*\*Mr. Shyama Prasad Mukherjee appointed as a member w.e.f. 25<sup>th</sup> July, 2024.

#### ➤ MEETING AND ATTENDANCE DURING THE YEAR

The Committee met 3 times during the Financial Year 2024-25 on 25<sup>th</sup> July, 2024, 28<sup>th</sup> August, 2024 and 19<sup>th</sup> March, 2025. The following table gives the attendance record of the Nomination and Remuneration Committee.

Name of the Director	Number of NRC Meetings	
	Held during the tenure of Directors	Attended
Mrs. Saroj Chelluri	3	3
Mr. Subir Mulchandani*	1	0
Mr. Arvind Kumar Koul	3	3
Mr. Shyama Prasad Mukherjee**	2	2

\*Mr. Subir Mulchandani ceased to be member w.e.f 5<sup>th</sup> August, 2024.

\*\*Mr. Shyama Prasad Mukherjee appointed as a member w.e.f. 25<sup>th</sup> July, 2024.

#### ➤ Compliance Officer

The Compliance Officer for this committee, at present, is Ms. Pushpa Yadav, Company Secretary.

#### ➤ REMUNERATION POLICY

##### Remuneration to Non-Executive Directors

The Non-Executive Directors are paid remuneration by way of Sitting Fees. The Non-Executive Directors are paid



sitting fees for each meeting of the Board or Committee of Directors attended by them. The total amount of sitting fees paid during the Financial Year 2024-25 was Rs. 1.38 Lakhs. The Non- Executive Independent Directors do not have any material pecuniary relationship or transactions with the Company. A payment criterion of Non-Executive Directors is available on website of the Company. The web link for the same is <https://sharikaindia.com/investors/>.

#### Remuneration to Executive Directors

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

The remuneration policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talent.

#### Remuneration Paid to Directors

Following tables gives the details of remuneration paid to directors, during the year from April 01, 2024 to March 31, 2025;

The following remuneration was paid during the year 2024-25:

S. No.	Name of Director	Amount (Figure In lacs)
1	Mr. Rajinder Kaul	33.97
2	Mr. Sanjay Verma	34.75

#### E. INDEPENDENT DIRECTORS:

It is hereby confirmed that all the Independent Directors fulfill the conditions specified in SEBI (LODR) Regulations, 2015 and Companies Act, 2013 and all

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

#### a) Training of Independent Directors:

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

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

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

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

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

The Independent Directors held a Meeting, without the attendance of Non-Independent Directors and members of Management, on 5<sup>th</sup> March, 2025.

#### F. ANNUAL GENERAL MEETING

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



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

Financial Year	Place	Date	Resolution Passed
2023-24	Through Virtual Conference and OAVM means	Thursday, September 26, 2024 at 3:00 P.M. through Video Conferencing	Yes, Special Resolution has been passed in the meeting.
2022-23	Through Virtual Conference and OAVM means	Thursday, September 28, 2023 at 3:00 P.M. through Video Conferencing	Yes, Special Resolution has been passed in the meeting.
2021-22	Through Virtual Conference and OAVM means	Saturday, December 31, 2022 at 3:00 P.M. through Video Conferencing	No, special resolution has been passed in the meeting.

#### H. AFFIRMATIONS AND DISCLOSURES:

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

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

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

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

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

The Board has approved a policy for related party transactions which has been uploaded on the Company's website web link of which is provided as below:

<https://sharikaindia.com/investors/>.

- 2.** The Company has complied with the requirements of stock exchanges or SEBI on matters related to Capital Markets, as applicable. No penalty has been levied by

these authorities in last three years.

- 3. Code of Conduct:** The Company has adopted a Code of Conduct for the members of the Board of Directors and the senior management of the Company. The Code of Conduct is displayed on the website of the Company. All the directors and the senior management personnel have affirmed compliance with the code for the financial year ended 31<sup>st</sup> March 2025. A declaration to this effect, signed by the Chief Executive Officer/ Managing Director is annexed to this report.
- 4. Vigil Mechanism/ Whistleblower Policy:** In accordance with requirement of Companies Act as well as SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, accordingly a whistle blower policy has been formulated with a view to provide a mechanism for employees of the company to approach Internal Auditor or Chairman of the Audit Committee of the Company to report any grievance. No personnel of the company have been denied access to the Audit Committee. The Policy is also available at the website of the company.
- 5.** During the Financial Year ended 31<sup>st</sup> March, 2025 the Company did not engage in commodity hedging activities.
- 6.** During the Financial Year ended 31<sup>st</sup> March, 2025, the Company did not raise any funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A).
- 7.** During the Financial Year ended 31<sup>st</sup> March, 2025, One Independent Director, Mr. Subir Mulchandani resigned before the expiry of his tenure due to health reasons.
- 8.** During the Financial Year ended 31<sup>st</sup> March, 2025, the Company has not issued any debt instruments or fixed deposit programme involving mobilization of funds, whether in India or abroad.
- 9.** A certificate from a company secretary in practice confirming that none of the Directors on the Board of the company have been debarred or disqualified



from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority, is annexed to this report.

10. There have been no instances of non-acceptance of any recommendations of any of the Committee(s) by the Board during the Financial Year under review.
11. Total fees of Rs. 6 Lakhs for financial year 2024-25, for all services, was paid by the Company, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part.
12. The necessary certificate under Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to this report.
13. During the year from April 1, 2024 to March 31, 2025, the Company has not received any complaint under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. At the end of March 31, 2025, no complaint was pending for redressal.
14. **Management Discussion and Analysis Report**  
- The Management Discussion and Analysis has been discussed in detail separately in this Annual Report.
15. Other disclosures as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been given at relevant places in the Annual Report.
16. The Company has fully complied with the applicable requirements specified in Reg. 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46
17. There has been no instance of non-compliance of any requirement of Corporate Governance Report.

## I INFORMATION TO SHAREHOLDERS

### 1. Registered & Corporate Office

C-504, ATS Bouquet, Sector-132,  
Noida, Uttar Pradesh - 201305  
Phone: +91-120-416-2100

### 2. FINANCIAL CALENDAR

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

Financial Reporting for the quarter ending June 30, 2025	August 2025
Financial Reporting for the quarter ending September 30, 2025	November 2025
Financial Reporting for the quarter ending December 31, 2025	February 2026
Financial Reporting for the quarter ending March 31, 2026	May 2026

### 3. WEBSITE

The address of the company's website is

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

### 4. DIVIDEND PAYMENT DATE

The Board has not recommended any Final Dividend for the Financial Year 2024-25

### 5. LISTING ON STOCK EXCHANGES

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

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

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

### 7. ANNUAL LISTING FEE

Annual Listing Fee for the year 2025-26 has been paid to Bombay Stock Exchange. There are no arrears of listing fees with the BSE Limited till date.

### 8. DEMAT

Your Company's equity shares can be traded on the Stock Exchanges only in dematerialized form with effect from April 01, 2022. To trade in dematerialized form, investors are required to open a Demat account with Depository participant of their choice. Equity shares of your Company are available for trading in the depository systems, of both the Depositories viz. The National Securities Depositories Limited (NSDL) and the Central Depositories Service (India) Limited (CDSL). 100% of equity share capital (4,33,00,000 equity shares) has been dematerialized as on 31<sup>st</sup> March, 2025.

### 9. SHARE TRANSFER SYSTEM

To expedite the process of share transfers the Board has delegated the power of share transfer to Skyline Financial Services Private Limited Viz. Registrar and Share Transfer Agents who attends to the share transfer formalities at least once in a fortnight. Share transfer in physical form and other communication regarding share certificate, change of address, etc may be addressed at:

#### M/s Skyline Financial Services Private Limited

Address: D-153A, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase-I,  
New Delhi-110 020  
Ph: 011 40450193-97  
Contact Person: Mr. Sarbesh Singh





## 10. ADDRESS FOR CORRESPONDENCE:

- (i) Investors' Correspondence may be addressed to the below:

**Company Secretary & Compliance Officer**

Sharika Enterprises Limited

E-mail: [cs@sharikaindia.com](mailto:cs@sharikaindia.com)

C-504, ATS Bouquet, Sector – 132,

Noida, UP – 201305

- (ii) Queries Relating to Financial Statement of the Company may be addressed to the below:

**Ms. Garvita Asati**

**Chief Financial Officer**

Sharika Enterprises Limited

E-mail: [cfo@sharikaindia.com](mailto:cfo@sharikaindia.com)

## 11. INVESTOR COMMUNICATION

The Company publishes quarterly un-audited financial results and annual audited financial results in Financial Express and Jansatta (Hindi). The information relating to the company's financial results is also available on other major financial and capital market related websites.

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

## 12. DISCLOSURE ON LEGAL PROCEEDINGS

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

## 13. OUTSTANDING STOCK OPTION

There are no outstanding warrants or convertible instruments or stock options to employees as on March 31, 2025.

## 14. ANALYSIS OF SHAREHOLDERS' COMPLAINTS RECEIVED DURING 2024-25

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

There was no complaint received and replied/disposed off during the Financial Year 2024-25.

## 15. SHARE PERFORMANCE CHART

Month	Share Price (Rs.)	High (Rs.)	Low (Rs.)	No. of Shares Traded
April 2024	9.42	10.19	8.56	6,47,005
May 2024	13.12	13.12	9.10	12,65,902
June 2024	22.81	27.16	13.77	86,16,482
July 2024	29.98	32.48	23.26	29,46,095
August 2024	22.23	29.39	20.19	52,91,694
September 2024	21.90	24.50	20.01	32,12,085
October 2024	19.25	22.20	15.12	11,29,215
November 2024	16.50	21.03	16.26	4,31,717
December 2024	19.75	19.75	16.00	10,50,426
January 2025	21.66	23.98	18.26	29,27,891
February 2025	19.01	23.19	16.50	10,64,211
March 2025	20.44	22.24	17.00	12,62,455
Total				2,98,45,178



#### 16. DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>st</sup> MARCH, 2025

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

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

Particulars	31 <sup>st</sup> March, 2024		31 <sup>st</sup> March, 2025	
	Number of Shares	% Holding	Number of Shares	% Holding
Promoters	2,38,85,888	55.16	2,38,85,888	55.16
Person acting in concert	43,42,640	10.03	43,42,565	10.03
Institutional Investors	0	0	0	0
Public	<b>1,50,71,472</b>	<b>34.81</b>	<b>1,50,71,547</b>	<b>34.81</b>
Total	4,33,00,000	100	4,33,00,000	100

##### Distribution of shareholding according to the number of shares held on 31<sup>st</sup> March, 2024 & 31<sup>st</sup> March, 2025

Particulars		As on 31 <sup>st</sup> March, 2024				As on 31 <sup>st</sup> March, 2025			
S. No.	No. of equity shares held	No. of share-holders	% of Total holder	No. of Shares	% of share capital	No. of shareholders	% of Total holders	No. of Shares	% of share capital
1	Up to 5000	10550	95.52	5551917	12.82	13366	96.37	6130689	14.16
2	5001 to 20000	395	3.57	3868639	8.93	407	2.93	3898639	9.00
3	20001 to 30000	37	0.33	902109	2.08	38	0.27	944861	2.18
4	30001 to 40000	18	0.16	776286	1.79	17	0.12	610764	1.41
5	40001 to 50000	7	0.063	615562	1.42	7	0.05	323617	0.75
6	50001 to 100000	23	0.20	1732325	4.00	19	0.14	1390374	3.21
7	100001 and above	14	0.13	29853162	68.94	16	0.12	30001056	69.29
	<b>Total</b>	<b>11044</b>	<b>100</b>	<b>43300000</b>	<b>100</b>	<b>13870</b>	<b>100.00</b>	<b>43300000</b>	<b>100.00</b>



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**CERTIFICATE IN PURSUANCE TO REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2025**

We, the undersigned hereby certify that:

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

**Rajinder Kaul**  
**Managing Director**

**Garvita Asati**  
**Chief Financial Officer**

Place: Noida

Date: 28 May, 2025



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

To,

The Board of Directors  
**Sharika Enterprises Limited**  
C-504, ATS Bouquet, Sector-132  
Noida, Uttarpradesh-201305

1. The Code of Conduct has been laid down for all the Board members and senior management and other employees of the Company.
2. The Code of Conduct is posted on website of the Company.
3. The Board members and senior management personnel have affirmed compliance with the code of conduct for the year 2024-25.

Place: Noida  
Date: 28<sup>th</sup> May, 2025

**Rajinder Kaul**  
Managing Director



**INDEPENDENT AUDITOR'S REPORT  
TO THE BOARD OF DIRECTORS OF SHARIKA ENTERPRISES LIMITED  
Report on the Audit of the Standalone Financial Results**

**Opinion**

We have audited the accompanying standalone financial statements of Sharika Enterprises Limited (the "Company"), which comprise the Balance Sheet as at 31 March 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian accounting standards prescribed under section 133 of the act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for opinion**

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

**Emphasis of matter**

We draw attention to Note 5 of the accompanying standalone financial statements regarding the investment and loans made by the Company in M/s Sharika Spintech Private Limited ("Spintech"), a subsidiary, amounting to Rs. 566.25 lakhs as at 31 March 2025. The recoverability of this investment and the related loans is based on a valuation performed by an external expert using the discounted cash flow method, which is dependent on the achievement of certain key assumptions considered in the valuation, such as technology adoption, cost efficiencies, and execution of business plans.

Based on its internal assessment and the valuation report obtained from the external expert, the management is of the view that the carrying value of the aforesaid investment and loans is appropriate. Accordingly, no adjustments have been made in the accompanying standalone financial statements for the year ended 31 March 2025.

Our opinion is not modified in respect of this matter.

**Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matter
<b>Revenue recognition for long term Construction contracts (as described in note 2.2(d) and 29 of the standalone financial statements)</b>	
The Company's significant portion of business is undertaken through long term construction contracts which are in nature of engineering, procurement and construction basis.  Revenue from these contracts, where the performance obligation is satisfied over time, is recognised in proportion to the stage of completion of the contract. The stage of completion is assessed by reference to survey of work performed.	Our audit procedures included but were not limited to: <ul style="list-style-type: none"><li>Read the Company's revenue recognition accounting policy and assessed compliance of the policy in terms of Ind AS 115 - Revenue from Contracts with Customers</li></ul>



<p>Revenue recognition from these contracts involves significant degree of judgments and estimation including identification of contractual obligations, the Company's rights to receive payments for performance obligation completed till date which includes measuring and recognition of contract assets, change of scope and determination of onerous obligations which include estimation of contract costs.</p> <p>Revenue recognition is significant to the standalone financial statements based on the quantitative materiality and nature of construction contracts involves significant judgements as explained above. Accordingly, we considered this as a key audit matter.</p>	<ul style="list-style-type: none"><li>• Obtained an understanding of the Company's processes and controls for revenue recognition process, evaluated the design, and tested the operating effectiveness of the controls over revenue recognitio</li><li>• Performed test of details, on a sample basis, and read the underlying customer contracts for terms and conditions, verified underlying supporting used in the determination of stage of completion and other relevant supporting documents such as joint measurement certificate / measurement book from independent engineers of the customer or authorized representative of customer; correspondence with customer etc.</li><li>• Performed analytical audit procedures for analysing project profitability over a period including for identification of low or negative margin project. Assess the level of provisioning required, if any for any loss/negative margin projects including for onerous obligations.</li><li>• Assessed the relevant disclosures made by the company in accordance with Ind AS 115.</li></ul> <p>Based on our work as stated above, no significant deviations were observed.</p>
<b>Valuation of trade receivables in view of the risk of credit losses (as described in note 2.2(e) and 11 of the standalone financial statement)</b>	
<p>Trade receivables is a significant item in the Company's standalone financial statements as at 31 March 2025 and assumptions used for estimating the credit loss on receivables is an area which is determined by management's judgment.</p> <p>The Company makes an assessment of the estimated credit losses on trade receivables based on credit risk, project status, past history, latest discussion/correspondence with the customer. Given the significance of these receivables in the standalone financial statements as at 31 March 2025, we determined this to be a key audit matter.</p>	<p>Our audit procedures included but were not limited to:</p> <ul style="list-style-type: none"><li>• Assessed the Company's processes and controls for monitoring trade receivables and reviewing ageing reports to identify collection risks.</li><li>• Discussed material overdue balances with management and inquiring about their collectability.</li><li>• Verified subsequent receipts from customers after year-end.</li><li>• Verified assumptions used for impairment assessment through analysis of ageing, material overdue balances, and specific credit risk indicators.</li><li>• Assessed the reasonableness of the allowance for doubtful debts.</li></ul> <p>Based on our work as stated above, no significant deviations were observed.</p>





**Impairment assessment of investment and loan given (as described in note 2.2(e) and 5 of the standalone financial statement)**

The Company has significant investment in equity shares and loans given- Inter corporate deposit. These investments and loans are carried at cost less impairment in the standalone financial statements. As per Ind AS 36 *Impairment of Assets*, the Company is required to assess at each reporting date whether there is any indication of impairment in respect of such investments and loans.

The assessment of impairment involves significant judgment and estimation, including evaluation of business plans, projected future cash flows, discount rates, growth assumptions, and the timing of realization of these cash flows. Given the materiality of the balances and the degree of subjectivity in assumptions, this was considered a key audit matter.

Obtained an understanding of the Company's process for impairment assessment of investments and loans given.

- Reviewed management's assessment of indicators of impairment.
- Reviewed the business plans and financial projections of the subsidiary as approved by management.
- Assessed key assumptions such as revenue growth, margins, and discount rates applied in the cash flow forecasts used for impairment analysis.
- Reviewed the adequacy and appropriateness of allowance for credit losses based on available information and evaluating management's assessment of the recoverability.
- Verified disclosures made in the standalone financial statements in accordance with the requirements of Ind AS 36.

Based on our work as stated above, no significant deviations were observed.

**Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

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

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

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

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

**Responsibilities of Management and Board of Directors for the Standalone Financial Statements**

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

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



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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

### **Other Matters**

The comparative standalone financial statements of the Company for the year ended 31 March 2024 was audited by predecessor auditor who had expressed an unmodified opinion on those standalone financial statements on 27 May 2024. Our



conclusion is not modified in respect of this matter.

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

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - i. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - ii. 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.
  - iii. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - iv. In our opinion, the aforesaid Standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - v. On the basis of the written representations received from the directors as on 31 March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.
  - vi. With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
  - vii. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act
  - viii. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Refer Note 43 to the standalone financial statements.
    - ii) The Company has made provision as required under applicable law or accounting standards for material foreseeable losses. The Company did not have any long-term derivative contracts.
    - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
    - iv)
      - (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
      - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
      - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
    - v) The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.



- vi) Based on our examination, which included test checks, except for the Property, plant and equipment and Payroll records, the Company has used accounting software system for maintaining its books of account for the financial year ended 31 March 2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

Further, for the periods where audit trail (edit log) facility was enabled and operated for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For R D V & Associates,**  
Chartered Accountants  
FRN: 006128C

**Vaibhav Goel**  
Partner  
M.No: 547918  
UDIN: 25547918BMKYIP8642

Date: 28 May 2025  
Place: Delhi



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## **Annexure “A” to the Independent Auditor’s Report**

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Sharika Enterprises Limited even date)

### **Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)**

We have audited the internal financial controls with reference to standalone financial statements of Sharika Enterprises Limited (the “Company”) as of 31 March 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management’s and Board of Directors’ Responsibilities for Internal Financial Controls**

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

#### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to standalone financial statements.

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

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

#### **Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements**

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



### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 March 2025, based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For R D V & Associates,**  
Chartered Accountants  
FRN: 006128C

**Vaibhav Goel**  
Partner  
M.No: 547918  
UDIN: 25547918BMKYIP8642

Date: 28 May 2025  
Place: Delhi





## Annexure 'B' to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Sharika Enterprises Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's property, plant and equipment, right-of-use assets and intangible assets:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.  
(B) The Company does not have any intangible assets and hence reporting under clause 3(i)(a)(B) of the Order is not applicable.
  - (b) The property, plant and equipment and investment property have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
  - (c) The Company does not have any immovable properties as at the balance sheet date, except a leasehold property where the Company is the lessee and the lease agreement is duly executed in favour of the lessee.
  - (d) The Company has not revalued any of its property, plant and equipment (including right-of-use assets) during the year.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The inventories have been physically verified by the management during the year, and in our opinion, the coverage and procedure of such verification by the management is appropriate having regard to the size of the Company and the nature of its business. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to the book records.  
(b) The Company has been sanctioned working capital limits in excess of five crore rupees in aggregate from banks financial institution on the basis of security of current assets. There is no material difference between the books of account of the respective quarters and the quarterly returns/statements or revised returns/statements filed by the Company with the banks.
- iii. The Company has made investments in companies, granted unsecured loans to companies, in respect of which the requisite information is as below. The Company has not made any investments or granted any unsecured loans to firms, limited liability partnerships or any other parties during the year. The Company has not provided any guarantee or security or granted any secured loans or secured and unsecured advances in the nature of loans to companies, firms or limited liability partnerships or any other parties during the year.

Rs. in Lakhs

Particulars	Loans*	Advances in nature of loan
<b>Aggregate amount granted/ provided during the year</b>		
- Subsidiaries	91.25	-
<b>Balance outstanding as at balance sheet date in respect of above cases</b>		
- Subsidiaries	91.25	-

\* Includes intercorporate deposit classified into investments in additional equity.

The Company has not provided any guarantee or security to any other entity during the year.

- (b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the interest of the Company.
- (c) In respect of loans granted by the Company, the principal is repayable on demand, and the terms of payment of interest have not been stipulated. Accordingly, we are unable to comment on whether the repayments of principal and interest are regular.



- (d) As the principal of the loans granted is repayable on demand and no demand for repayment has been made as of the reporting date, and since the terms of payment of interest have not been stipulated in respect of these loans, we are unable to comment on whether any amount is overdue for more than 90 days.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- (f) The Company has granted loans or advances in the nature of loans that are repayable on demand or without specifying any terms or period of repayment-

Rs. in Lakhs

Particulars	Amount of Loan Given to related parties
Aggregate amount of loans	
- Repayable on demand (A)	91.25
- Agreement does not specify any terms or period of repayment (B)	-
<b>Total (A+B)</b>	<b>91.25</b>
<b>Percentage of to the total loans</b>	<b>100%</b>

- iv. The Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013 ("the Act"). In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of investments made and loans given, except for the instances mentioned below.

Rs. in Lakhs

Particulars	Balance as at balance sheet Date
<b>Loan given without interest</b>	
<b>Subsidiary (Other than wholly own subsidiary)-</b>	
- Sharika Smartec Private Limited	55.46
<b>Others</b>	
- Inventivepreneur Private Limited*	9.50
- NJP Entrade International Private Limited*	240.12
<b>Others (B)</b>	<b>249.62</b>

\* Provision for impairment had been created against these inter corporate deposits refer note – 13 of standalone financial statements

- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Therefore, reporting under clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has not been applicable to the company as specified by the Central Government under Section 148(1) of the Act. Therefore, reporting under clause (vi) of the Order is not applicable to the Company.
- vii. In respect of statutory dues:
- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) The undisputed amounts payable in respect of Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Customs Duty, Cess, or other statutory dues that were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable are as follows:



Name of the Statute	Nature of the Dues*	Amount (₹in Lakhs)	Period to which the amount relates	Date of Payments
The Income Tax Act, 1961	Income Tax	0.74	AY 2019-20	Not Paid
The Income Tax Act, 1961	TDS	0.90	FY 2021-22	Not Paid
	TDS	0.01	FY 2020-21	Not Paid
	TDS	0.02	FY 2019-20	Not Paid
	TDS	0.00	FY 2018-19	Not Paid
	TDS	0.55	FY 2017-18	Not Paid
	TDS	0.09	FY 2016-17	Not Paid
	TDS	0.26	FY 2015-16	Not Paid
	TDS	0.14	FY 2014-15	Not Paid
	TDS	0.42	FY 2013-14	Not Paid
	TDS	0.58	FY 2012-13	Not Paid
	TDS	0.02	FY 2011-12	Not Paid
	TDS	2.10	FY 2010-11	Not Paid
	TDS	0.36	FY 2009-10	Not Paid
	TDS	0.01	FY 2008-09	Not Paid
	TDS	1.22	FY 2007-08	Not Paid
The Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident Fund	0.00	FY 2023-24	Not Paid
	Provident Fund	0.02	FY 2022-23	Not Paid
	Provident Fund	1.92	FY 2021-22	Not Paid
	Provident Fund	0.41	FY 2020-21	Not Paid
	Provident Fund	2.35	FY 2019-20	Not Paid
The Goods and Services Tax Act, 2017	Goods and Services Tax	0.25/-	FY 2022-23	Not Paid
	Goods and Services Tax	1.00/-	FY 2021-22	Not Paid
	Goods and Services Tax	1.36/-	FY 2020-21	Not Paid
	Goods and Services Tax	1.14/-	FY 2019-20	Not Paid
	Goods and Services Tax	1.65/-	FY 2018-19	Not Paid

\* including interest, late filing fee and penalty.

(c) there are no statutory dues relating to Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited on account of any dispute.

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) The Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) The Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.



- (c) In our opinion, the Company has applied the term loans for the purpose for which the loans were obtained.
- (d) On an overall examination of the standalone financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company, except as below –

₹ in Lakhs

Name of Lender	Nature of facility	Amount utilised for long term purpose	Purpose for which used
Jammu & Kashmir Bank Limited	Working Capital overdraft limit	198.86	For leasehold industrial plot

- (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint venture.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint venture (as defined under the Act). The Company does not hold any investment in any associate (as defined under the Act) during the year ended 31 March 2025.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT- 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit report for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit



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

- xx. The provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility are not applicable to the Company and hence reporting under clause 3(xx) of the Order is not applicable.

**For R D V & Associates,**

Chartered Accountants

FRN: 006128C

**Vaibhav Goel**

Partner

M.No: 547918

UDIN: 25547918BMKYIP8642

Date: 28 May 2025

Place: Delhi



## Annexure 'B' to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Sharika Enterprises Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's property, plant and equipment, right-of-use assets and intangible assets:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.
  - (B) The Company does not have any intangible assets and hence reporting under clause 3(i)(a)(B) of the Order is not applicable.
  - (b) The property, plant and equipment and investment property have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
  - (c) The Company does not have any immovable properties as at the balance sheet date, except a leasehold property where the Company is the lessee and the lease agreement is duly executed in favour of the lessee.
  - (d) The Company has not revalued any of its property, plant and equipment (including right-of-use assets) during the year.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The inventories have been physically verified by the management during the year, and in our opinion, the coverage and procedure of such verification by the management is appropriate having regard to the size of the Company and the nature of its business. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to the book records.
- (b) The Company has been sanctioned working capital limits in excess of five crore rupees in aggregate from banks financial institution on the basis of security of current assets. There is no material difference between the books of account of the respective quarters and the quarterly returns/statements or revised returns/statements filed by the Company with the banks.
- iii. The Company has made investments in companies, granted unsecured loans to companies, in respect of which the requisite information is as below. The Company has not made any investments or granted any unsecured loans to firms, limited liability partnerships or any other parties during the year. The Company has not provided any guarantee or security or granted any secured loans or secured and unsecured advances in the nature of loans to companies, firms or limited liability partnerships or any other parties during the year.
- (a) The Company has provided loans or advances in the nature of loans during the year, details of which are given below:

₹ in Lakhs

Particulars	Loans*	Advances in nature of loan
<b>Aggregate amount granted/ provided during the year</b>		
- Subsidiaries	91.25	-
<b>Balance outstanding as at balance sheet date in respect of above cases</b>		
- Subsidiaries	91.25	-

\* Includes intercorporate deposit classified into investments in additional equity.

The Company has not provided any guarantee or security to any other entity during the year.

- (b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the interest of the Company.





- (c) In respect of loans granted by the Company, the principal is repayable on demand, and the terms of payment of interest have not been stipulated. Accordingly, we are unable to comment on whether the repayments of principal and interest are regular.
- (d) As the principal of the loans granted is repayable on demand and no demand for repayment has been made as of the reporting date, and since the terms of payment of interest have not been stipulated in respect of these loans, we are unable to comment on whether any amount is overdue for more than 90 days.
- (e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- (f) The Company has granted loans or advances in the nature of loans that are repayable on demand or without specifying any terms or period of repayment-

₹ in Lakhs

Particulars	Amount of Loan Given to related parties
Aggregate amount of loans	
- Repayable on demand (A)	91.25
- Agreement does not specify any terms or period of repayment (B)	-
<b>Total (A+B)</b>	<b>91.25</b>
<b>Percentage of to the total loans</b>	<b>100%</b>

- iv. The Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013 ("the Act"). In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of investments made and loans given, except for the instances mentioned below.

₹ in Lakhs

Particulars	Balance as at balance sheet Date
<b>Loan given without interest</b>	
<b>Subsidiary (Other than wholly own subsidiary)-</b>	
- Sharika Smartec Private Limited	55.46
<b>Others</b>	
- Inventivepreneur Private Limited*	9.50
- NJP Entrade International Private Limited*	240.12
<b>Others (B)</b>	<b>249.62</b>

\* Provision for impairment had been created against these inter corporate deposits refer note – 13 of standalone financial statements

- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Therefore, reporting under clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has not been applicable to the company as specified by the Central Government under Section 148(1) of the Act. Therefore, reporting under clause (vi) of the Order is not applicable to the Company.
- vii. In respect of statutory dues:
- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) The undisputed amounts payable in respect of Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Customs Duty, Cess, or other statutory dues that were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable are as follows:



Name of the Statute	Nature of the Dues*	Amount (₹ in Lakhs)	Period to which the amount relates	Date of Payments
The Income Tax Act, 1961	Income Tax	0.74	AY 2019-20	Not Paid
The Income Tax Act, 1961	TDS	0.90	FY 2021-22	Not Paid
	TDS	0.01	FY 2020-21	Not Paid
	TDS	0.02	FY 2019-20	Not Paid
	TDS	0.00	FY 2018-19	Not Paid
	TDS	0.55	FY 2017-18	Not Paid
	TDS	0.09	FY 2016-17	Not Paid
	TDS	0.26	FY 2015-16	Not Paid
	TDS	0.14	FY 2014-15	Not Paid
	TDS	0.42	FY 2013-14	Not Paid
	TDS	0.58	FY 2012-13	Not Paid
	TDS	0.02	FY 2011-12	Not Paid
	TDS	2.10	FY 2010-11	Not Paid
	TDS	0.36	FY 2009-10	Not Paid
	TDS	0.01	FY 2008-09	Not Paid
	TDS	1.22	FY 2007-08	Not Paid
The Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident Fund	0.00	FY 2023-24	Not Paid
	Provident Fund	0.02	FY 2022-23	Not Paid
	Provident Fund	1.92	FY 2021-22	Not Paid
	Provident Fund	0.41	FY 2020-21	Not Paid
	Provident Fund	2.35	FY 2019-20	Not Paid
The Goods and Services Tax Act, 2017	Goods and Services Tax	0.25/-	FY 2022-23	Not Paid
	Goods and Services Tax	1.00/-	FY 2021-22	Not Paid
	Goods and Services Tax	1.36/-	FY 2020-21	Not Paid
	Goods and Services Tax	1.14/-	FY 2019-20	Not Paid
	Goods and Services Tax	1.65/-	FY 2018-19	Not Paid

\* including interest, late filing fee and penalty.

- (c) there are no statutory dues relating to Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited on account of any dispute.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) The Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) The Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion, the Company has applied the term loans for the purpose for which the loans were obtained.



- (d) On an overall examination of the standalone financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company, except as below –

₹ in Lakhs

Name of Lender	Nature of facility	Amount utilised for long term purpose	Purpose for which used
Jammu & Kashmir Bank Limited	Working Capital overdraft limit	198.86	For leasehold industrial plot

- (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint venture.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint venture (as defined under the Act). The Company does not hold any investment in any associate (as defined under the Act) during the year ended 31 March 2025.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT- 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit report for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of



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

- xx. The provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility are not applicable to the Company and hence reporting under clause 3(xx) of the Order is not applicable.

**For R D V & Associates,**

Chartered Accountants

FRN: 006128C

**Vaibhav Goel**

Partner

M.No: 547918

UDIN: 25547918BMKYIP8642

Date: 28 May 2025

Place: Delhi



## Standalone Balance Sheet as at 31 March 2025

₹ in Lakhs

Particulars	Note No.	As at 31 March 2025	As at 31 March 2024
<b>ASSETS</b>			
<b>Non current assets</b>			
(a) Property, plant and equipments	3	384.53	408.07
(b) Right of Use	4	7.94	22.55
(c) Financial assets			
(i) Investments	5	597.25	15.72
(ii) Other financial assets	6	98.20	26.21
(d) Deferred tax assets (net)	7	46.80	75.16
(e) Other non-current assets	8	400.54	201.68
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,535.26</b>	<b>749.39</b>
<b>CURRENT ASSETS</b>			
(a) Inventories	9	805.60	1,121.89
(b) Contract Assets	10	487.29	325.00
(c) Financial assets			
(i) Trade receivables	11	3,769.74	2,070.37
(ii) Cash and cash equivalents	12	13.57	38.50
(iii) Bank balances other than (ii) above		137.45	85.96
(iv) Loans	13	71.20	499.09
(v) Other financial assets	14	60.05	79.64
(d) Current tax assets	15	43.94	30.72
(e) Other current assets	16	393.11	611.30
<b>TOTAL CURRENT ASSETS</b>		<b>5,781.95</b>	<b>4,862.47</b>
<b>TOTAL ASSETS</b>		<b>7,317.21</b>	<b>5,611.86</b>
<b>(II) EQUITY &amp; LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	17	2,165.00	2,165.00
(b) Other Equity	18	551.23	457.08
<b>TOTAL EQUITY</b>		<b>2,716.23</b>	<b>2,622.08</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	19	262.35	199.59
(ii) Lease Liability	20	1.49	9.71
(b) Long Term Provisions	21	69.99	52.73
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>333.83</b>	<b>262.03</b>
<b>CURRENT LIABILITIES</b>			
(a) Financial liabilities			
(i) Borrowings	22	1,231.76	655.12
(ii) Lease Liability	23	8.22	15.67
(iii) Trade payables			
(A) Total outstanding dues of micro enterprises and small enterprises	24	29.52	0.44
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,102.47	970.24
(iv) Other financial liabilities	25	200.29	248.04
(b) Other current liabilities	26	691.64	830.82
(c) Short Term Provisions	27	2.51	1.98
(d) Current tax liabilities	28	0.74	5.44
<b>TOTAL CURRENT LIABILITIES</b>		<b>4,267.15</b>	<b>2,727.75</b>
<b>TOTAL LIABILITIES</b>		<b>4,600.98</b>	<b>2,989.78</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>7,317.21</b>	<b>5,611.86</b>

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

As per our Report of even date attached

**For R D V & Associates**  
**Chartered Accountants**  
(ICAI Firm Reg. No: 006128C)

**Vaibhav Goel**  
(Partner)  
Membership No. 547918

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

**Rajinder Kaul**  
Managing Director  
DIN - 01609805

**Sanjay Verma**  
Executive Director  
DIN-08139841

**Garvita Asati**  
Chief Financial Officer

**Pushpa Yadav**  
Company Secretary

Date : 28/05/2025  
Place : Noida



**Standalone Statement of Profit And Loss for the year ended 31 March 2025**

₹ in Lakhs

Particulars	Note No.	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>Income:</b>			
I Revenue From Operations	29	7,950.16	7,841.10
II Other Income	30	31.09	190.74
<b>III Total Income (I+II)</b>		<b>7,981.25</b>	<b>8,031.84</b>
<b>EXPENSES</b>			
(a) Cost of materials consumed	31	6,225.43	6,362.87
(b) Sub-contracting charges	32	424.33	199.05
(c) Employee benefit expenses	33	445.64	434.45
(d) Finance costs	34	170.72	124.13
(e) Depreciation and amortisation expenses	35	64.23	57.07
(f) Other expenses	36	560.69	678.26
<b>IV Total expenses</b>		<b>7,891.04</b>	<b>7,855.83</b>
<b>V Profit before Exceptional Items and Tax (III-IV)</b>		<b>90.21</b>	<b>176.01</b>
VI Exceptional Items	37	31.66	-
<b>VII Profit / (Loss) before Tax (V-VI)</b>		<b>121.87</b>	<b>176.01</b>
<b>VIII Tax expenses :</b>	<b>38</b>		
(i) Current tax		-	4.70
(ii) Deferred tax		29.38	(54.43)
(iii) Taxation pertaining to earlier years		(4.70)	-
<b>Total Tax Expense</b>		<b>24.68</b>	<b>(49.73)</b>
<b>IX Profit / (Loss) after tax (VII-VIII)</b>		<b>97.19</b>	<b>225.74</b>
<b>X Other Comprehensive Income / (loss)</b>			
<b>Items that will not be reclassified to profit or loss</b>			
(i) Re-measurement gains on Defined Benefit Plans	39	(4.06)	(5.17)
(ii) Less: Tax effect on Re-measurement of Defined Benefit Plans		1.02	1.30
<b>Other Comprehensive Income / (loss) (net of tax) (i+ii)</b>		<b>(3.04)</b>	<b>(3.87)</b>
<b>XI Total comprehensive Income / (Loss) for the period (IX+X)</b>		<b>94.15</b>	<b>221.87</b>
<b>XII Earnings per equity share Rs. (Face Value of Rs 5/- each)</b>	<b>40</b>		
(i) Basic		0.22	0.52
(ii) Diluted		0.22	0.52

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

As per our Report of even date attached

**For R D V & Associates**  
**Chartered Accountants**  
(ICAI Firm Reg. No: 006128C)

**Vaibhav Goel**  
(Partner)  
Membership No. 547918

Date : 28/05/2025  
Place : Noida

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

**Rajinder Kaul**  
Managing Director  
DIN - 01609805

**Garvita Asati**  
Chief Financial Officer

**Sanjay Verma**  
Executive Director  
DIN-08139841

**Pushpa Yadav**  
Company Secretary



**Standalone Cash Flow Statement for the year ended 31 March 2025**

₹ in Lakhs

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>A. Cash Flow from Operating Activities</b>		
Profit / (Loss) for the year before tax	121.87	176.01
<b>Non cash / non operating adjustment to reconcile profit before tax to net cash flows</b>		
Depreciation and amortisation expenses	64.23	57.07
Finance Cost	170.72	121.07
Interest Received	(13.23)	(7.89)
Exchange Fluctuation	10.96	19.34
Expected Credit Loss	33.55	236.17
Profit on sale of property, plant and equipment	-	(155.91)
Reversal on provision for diminution on investment	(285.28)	-
Expected credit loss on other loans	253.62	-
<b>Operating Profit Before Changes in Working Capital</b>	<b>356.44</b>	<b>445.86</b>
<b>Adjustments for changes in Operating Assets &amp; Liabilities:</b>		
Decrease / (Increase) in Loans asset	-	5.63
Decrease / (Increase) in Inventories	316.29	(255.36)
Decrease / (Increase) in Current Assets	218.19	(169.28)
Decrease / (Increase) in Contract Assets	(162.29)	(113.32)
Decrease / (Increase) in Trade Receivables	(1,743.88)	487.88
Decrease / (Increase) in Other Financial Assets	(40.46)	(10.05)
Increase / (Decrease) in Trade Payables	1,161.31	43.60
Increase / (Decrease) in Lease Liability	(15.67)	(12.91)
Increase / (Decrease) in Other financial liabilities	(47.75)	(403.79)
Increase / (Decrease) in Other current liabilities	(139.18)	159.48
Increase / (Decrease) in Provisions	13.73	(8.04)
<b>Cash Generated from Operations</b>	<b>(83.27)</b>	<b>169.70</b>
Income Tax Paid (net of refunds)	(13.22)	(17.11)
<b>NET CASH INFLOW / OUTFLOW FROM OPERATING ACTIVITIES</b>	<b>(96.49)</b>	<b>152.59</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Sale Property, plant and equipment's	-	475.00
Purchase of property, plant and equipment's including CWIP	(224.94)	(172.22)
Loan Given to subsidiary	(91.99)	(68.92)
Investment in Subsidiary	(30.00)	(1.00)
Interest Received	1.29	7.89
Redemption of fixed deposits	(51.49)	51.30
<b>NET CASH INFLOW / OUTFLOW FROM INVESTING ACTIVITIES</b>	<b>(397.13)</b>	<b>292.05</b>





**Standalone Cash Flow Statement for the year ended 31 March 2025 (Contd.)**

₹ in Lakhs

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Non Current Borrowings	(176.12)	(258.43)
Proceeds from Non Current Borrowings	224.94	-
Proceeds / (Repayment) from Current Borrowings (Net)	590.58	(50.82)
Finance Cost paid	(170.71)	(121.07)
<b>NET CASH INFLOW / OUTFLOW FINANCING ACTIVITIES</b>	<b>468.69</b>	<b>(430.32)</b>
<b>Net Increase In Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(24.93)</b>	<b>14.32</b>
<b>Opening cash &amp; cash equivalents</b>	<b>38.50</b>	<b>24.18</b>
<b>Closing cash &amp; cash equivalents</b>	<b>13.56</b>	<b>38.50</b>

- Notes:- 1. The Statement of Cash flows has been prepared under the indirect method as set out in Ind AS - 7 specified under Section 133 of the Act.
2. Changes in liabilities arising from financing activities

₹ in Lakhs

Particulars	Year Ended 31 March 2025	Year Ended 31 March 2024
<b>Opening balance of loans</b>	<b>854.71</b>	<b>1,163.96</b>
<b>Cash Flows</b>		
Repayments of loans	(176.12)	(309.25)
Proceeds from loans	815.52	-
Non-cash changes	-	-
<b>Closing balance of loans</b>	<b>1,494.11</b>	<b>854.71</b>

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

As per our Report of even date attached

**For R D V & Associates**  
**Chartered Accountants**  
(ICAI Firm Reg. No: 006128C)

**Vaibhav Goel**  
(Partner)  
Membership No. 547918

Date : 28/05/2025  
Place : Noida  
Place: New Delhi

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

**Rajinder Kaul**  
Managing Director  
DIN - 01609805

**Garvita Asati**  
Chief Financial Officer

**Sanjay Verma**  
Executive Director  
DIN-08139841

**Pushpa Yadav**  
Company Secretary



**Standalone Statement of changes in equity for the year ended 31 March 2025**

**A. Equity share capital**

₹ in Lakhs

Particulars	Balance as at 31 March 2025	Balance as at 31 March 2024
Balance at the beginning of the current reporting period	2,165.00	2,165.00
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	2,165.00	2,165.00
Changes in equity share capital during the current year	-	-
Balance at the end of the current reporting period	2,165.00	2,165.00

**B. Other equity**

**General Reserve**

₹ in Lakhs

Particulars	Balance as at 31 March 2025	Balance as at 31 March 2024
<b>Balance at beginning of year</b>	<b>10.00</b>	<b>10.00</b>
Addition during the year	-	-
Deduction during the year	-	-
<b>As at end of the year</b>	<b>10.00</b>	<b>10.00</b>

**Surplus / Retained Earnings**

₹ in Lakhs

Particulars	Balance as at 31 March 2025	Balance as at 31 March 2024
<b>Balance at beginning of year</b>	<b>447.08</b>	<b>225.21</b>
Profit / (Loss) during the year	97.19	225.74
Other comprehensive income / (loss)	(3.04)	(3.87)
<b>As at end of the year</b>	<b>541.23</b>	<b>447.08</b>

**Nature and purpose of Reserves**

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

**Retained Earning :**

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

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

As per our Report of even date attached

**For R D V & Associates**  
**Chartered Accountants**  
(ICAI Firm Reg. No: 006128C)

**Vaibhav Goel**  
(Partner)  
Membership No. 547918

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

**Rajinder Kaul**  
Managing Director  
DIN - 01609805

**Sanjay Verma**  
Executive Director  
DIN-08139841

**Garvita Asati**  
Chief Financial Officer

**Pushpa Yadav**  
Company Secretary

Date : 28/05/2025  
Place : Noida



## (A) Overview and Significant Accounting Policies

### Note :-1. Corporate Information

Sharika Enterprises Limited is a public listed company, existing under the provisions of Companies Act, 2013. It was incorporated on 06 May 1998 and has its registered office at C-504, Fifth Floor, ATS Bouquet, Sector - 132, Noida, Uttar Pradesh – 201305. Shares of the Company are listed on Bombay Stock Exchange (BSE). The company is primarily engaged in the business of Management Consultancy & Project Execution services primarily in the power sector for Indian and International Power Equipment Manufacturers. The company has added trading of Electrical items primarily comprising of LED lights and other related products and components. Its operations also include a composite range of activities comprising of engineering, procurement, construction and servicing etc of Power plants and equipments.

### Note :-2. Significant accounting policies

#### 2.1 Basis of Preparation

The financial statements of the Company have been prepared in accordance with and to comply in all material aspects with the applicable Indian Accounting Standards (Ind AS) as notified under the relevant provisions of the Companies Act, 2013, Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions including Schedule III to the Companies Act, 2013, as amended from time to time.

The financial statements have been prepared on accrual and going concern basis under historical cost convention, except for the items that have been measured at fair value as required by relevant Ind AS.

Company's financial statements are presented in Indian Rupees, which is also its functional currency. All amounts in the financial statements and accompanying notes are presented in Indian Rupees in Lakhs and have been rounded-off to two decimal places in accordance with the provisions of Schedule III to the Companies Act, 2013, unless stated otherwise.

#### 2.2 Summary of significant accounting policies

##### a. Current and non-current classification

Assets and Liabilities are classified as either current or non-current as per the Company's normal operating cycle, and other criteria set out in Schedule III to the Companies Act, 2013. Operating cycle for the business activities of the Company covers the duration of the specific project/contract/product line/service including the defect liability period, wherever applicable, and extends up to the realisation of receivables (including retention monies) within the agreed credit period normally applicable to the respective project/contract/product line/service. Deferred tax assets and deferred tax liabilities are classified as non-current assets and liabilities.

Further, an asset is classified as current when it satisfies any of the following criteria: it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle.

- It is held primarily for the purpose of being traded;
- It is expected to be realised within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.
- All other assets are classified as non-current.
- A liability is classified as current when it satisfies any of the following criteria:
  - It is expected to be settled in the Company's normal operating cycle;
  - It is held primarily for the purpose of being traded
  - It is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification."

All other liabilities are classified as non-current.

##### b. Fair Value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction



between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- A. In the principal market for the asset or liability, or
- B. In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices in active markets for identical assets or liabilities that entity can access at measurement date;
- Level 2 inputs are inputs, other than quoted prices included in Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re- assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

**c. Foreign currency transactions**

The company's financial statements are presented in INR, which is also the company's functional currency.

- i. 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.
- ii. Foreign currency monetary items are reported using the closing rate.
- iii. Any gain or loss on account of exchange difference arising either on the settlement or on reinstatement of foreign currency monetary items is recognized as profit/loss, except exchange difference arising on long term foreign currency monetary items relating to acquisition of depreciable fixed assets, which is adjusted to the carrying amount of such assets. An asset shall be designated as long term foreign currency monetary item, if the asset or liability expressed in foreign currency and has a term of 12 months or more at the date of origination of the asset or liability.

**d. Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms or payment and excluding taxes or duties collected on behalf of the Government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks. Sales tax/ value added tax (VAT)/Goods and Service Tax (GST) is not received by the Company on its own account. Rather it is tax collected on value added to the commodity by the seller on behalf of the Government. Accordingly, it is excluded from revenue. The following specific recognition criteria must also be met before revenue is recognized:

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services.



The Company satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

- (i) The Company's performance does not create an asset with an alternate use to the Company and the Company has an enforceable right to payment for performance completed to date.
- (ii) The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- (iii) The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs. For performance obligations where one of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably. Taxes (Goods and Services Tax) collected on behalf of the government are excluded from Revenue. The transaction price of goods sold and services rendered is net of variable consideration on account returns, discounts, customer claims and rebates, etc.

Variable consideration includes volume discounts, price concessions, incentives, etc. The Company estimates the variable consideration with respect to above based on an analysis of accumulated historical experience. The variable consideration is adjusted as and when the expectation regarding the same changes. Revenue from Sale of Goods Performance obligation in case of Revenue from sale of goods is satisfied at a point in time and is recognized when control of goods is transferred to the customers. Generally, control is transferred upon shipment of goods to the customer or when the goods are made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue from Turnkey Projects/Contracts Performance obligation in case of revenue from Turnkey Projects/Contracts is satisfied over the period of time, since the customer controls the assets as they are created and the Company has enforceable right to payment for performance completed to date. Revenue from Turnkey Projects/Contracts, where the outcome can be estimated reliably is recognised under the percentage of completion method by reference to the stage of completion of contract activity. The stage of completion is measured by input method i.e. the proportion that the cost incurred to date bear to the estimated total cost of a contract. The estimates of contract costs and the revenue thereon are reviewed periodically by the management and the cumulative effect of any changes in the estimates is recognised in the period in which such changes are determined. Where it is probable that contract expenses will exceed total revenue from a contract, the expected loss is recognised immediately as an expense in the Statement of Profit and Loss.

If contract revenue recognised is in excess of interim/progressive billing, the same is recognised as "contract asset" (unbilled revenue). Similarly, if interim/progressive billing exceeds contract revenue, the same is recognised as "contract liabilities" (excess billed over revenue). Amounts received before the related work is performed are disclosed in the Balance Sheet as "Mobilisation and Other Advances from Customers". The amounts billed to customers for work performed and are unconditionally due for payment i.e. only passage of time is required before payment falls due, are disclosed in the Balance Sheet as trade receivables. The amount of retention money receivable from project customers do not contain any significant financing element as these are retained by the customers for satisfactory performance of the underlying contracts.

Export benefits availed as per applicable policy/schemes are accrued each year in which the goods are exported and when no significant uncertainty exist regarding the ultimate collection.

Interest income is recognised on time proportion basis. Dividend income is recognised when the right to receive payment is established.

#### **Income from sales**

Sales are recognized on dispatch of goods and are accounted net of trade discount, returns and volume rebates, GST.

#### **Income from services**

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



## Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

### e. Financial instruments

Financial assets and financial liabilities are recognised when a group Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

#### A] Financial assets

##### a) Initial recognition and measurement:

Financial assets are recognised when a group Company becomes a party to the contractual provisions of the instrument. On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the financial asset.

##### b) Effective interest method:

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the 'Other income' line item.

##### c) Subsequent measurement:

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

- i. The Company's business model for managing the financial asset and
- ii. The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:

##### i. Financial assets measured at amortized cost:

A financial asset is measured at the amortized cost if both the following conditions are met:

- a) The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances, trade receivables, loans and other financial assets of the Company. Such financial assets are subsequently measured at amortized cost using the effective interest method.

The amortized cost of a financial asset is also adjusted for loss allowance, if any.

##### ii. Financial assets measured at FVTOCI:

A financial asset is measured at FVTOCI if both of the following conditions are met:

- a) The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and



- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investments in equity instruments, classified under financial assets, are initially measured at fair value. The Company may, on initial recognition, irrevocably elect to measure the same either at FVTOCI or FVTPL. The Company makes such elections on an instrument-by-instrument basis. Fair value changes on an equity instrument are recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVTOCI.

The Company does not have any financial assets in this category.

**iii. Financial assets measured at FVTPL:**

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above.

This is a residual category applied to all other investments of the Company. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss.

**d) Derecognition:**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Company's Balance Sheet) when any of the following occurs:

- i. The contractual rights to the cash flows from the financial asset expires;
- ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
- iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where the Company has neither transferred nor retained substantially all of the risks and rewards of the financial asset but retains control of the financial asset, the Company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognizes an associated liability.

The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

**e) Impairment of financial assets:**

The Company applies the expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

- i. Trade receivables
- ii. Financial assets measured at amortized cost (other than trade receivables)
- iii. Financial assets measured at fair value through other comprehensive income (FVTOCI)

In the case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In the case of other assets (listed as ii and iii above), the Company determines if there has been a significant increase in the credit risk of the financial asset since initial recognition. If the credit risk





of such assets has not increased significantly, an amount equal to a 12-month ECL is measured and recognized as a loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on a 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate.

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

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

As a practical expedient, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

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

## **B] Financial liabilities and equity instruments**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### **i. Equity instruments:**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company member are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

### **ii. Financial liabilities:**

#### **a) Initial recognition and measurement:**

Financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at fair value.

#### **b) Subsequent measurement:**

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

The Company has not designated any financial liability as at FVTPL.

#### **c) Derecognition of financial liabilities:**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.



**f. Borrowing Cost**

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 capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**g. Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

**Company as a lessee**

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. The Company recognises a Right-of-use Asset and a lease liability at the lease commencement date. The Right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial costs incurred. The Right-of-use Asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. Subsequently, lease liabilities are measured on amortised cost basis.

The Company has elected not to recognise Right-of-use Assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets and the corresponding lease rental paid are directly charged to the Statement of Profit and Loss.

**Company as a lessor**

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease.

**h. Inventories**

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

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

Provision for obsolescence on inventories is made wherever technically considered necessary by the management.

**i. Property, plant and equipment**

An item of Property, plant and equipment (PPE) that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, property, plant and equipment are carried at cost, as reduced by accumulated depreciation and impairment losses, if any.

The Company identifies and determines the cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has a useful life that is materially different from that of the remaining item.



Cost comprises of purchase price/cost of construction, including non-refundable taxes or levies and any expenses attributable to bringing the PPE to its working condition for its intended use. Project pre-operative expenses and expenditures incurred during the construction period are capitalized to various eligible PPE. Borrowing costs directly attributable to the acquisition or construction of qualifying PPE are capitalized.

Spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

The cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of property, plant and equipment outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

Depreciation is recognised to write off the cost of PPE (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The useful lives prescribed in Schedule II to the Companies Act, 2013 are considered as the minimum lives. If the management's estimate of the useful life of property, plant and equipment at the time of acquisition of the asset or the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/remaining useful life. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting year, with the effect of any changes in estimate accounted for on a prospective basis.

PPE is depreciated over its estimated useful lives, determined as under:

- Freehold land is not depreciated.
- On other items of PPE, on the basis of useful life as per Part C of Schedule II to the Companies Act, 2013.

The management believes that these estimated useful lives are realistic and reflect a fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

**j. Impairment of Non-Financial Assets**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount and the impairment loss is recognized in the Statement of Profit and Loss. The recoverable amount is the higher of an asset's fair value less costs of disposal and 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 group of assets. 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 assumptions of the time value of money and the risks specified 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.

**k. Taxes**

**Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.



**Deferred tax liabilities are recognised for all taxable temporary differences.**

Deferred tax assets are recognised for all deductible temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deterred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

**l. Retirement and other employee benefits**

**Defined Contribution Plan**

Contribution to approved Superannuation Fund as per Company's scheme and Employees Recognised Provident Fund administered by Employees Provident Fund Organisation (EPFO), is recognised as an expense in the Statement of Profit and Loss for the year when the employee renders the related service.

**Defined Benefit Plan**

Gratuity, Pension and Compensated Absences benefits, payable as per Company's schemes are considered as defined benefit schemes and are charged to Statement of Profit and Loss on the basis of actuarial valuation carried out at the end of each financial year by independent actuaries using Projected Unit Credit Method. For the purpose of presentation of defined benefit plans, the allocation between short term and long term provisions is made as determined by the independent actuaries. Actuarial gains and losses are recognised in the Other Comprehensive Income.

Ex-gratia or other amount disbursed on account of selective employees separation scheme or otherwise are charged to Statement of Profit and Loss as and when incurred/determined.

**m. Provisions, Contingent liabilities and Contingent Assets**

The Company recognises a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and reliable estimates can be made of the amount of obligation. The provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change. A disclosure of contingent liability is made when there is possible obligation or a present obligation that will probably not require outflow of resources or where a reliable estimate of the obligation cannot be made. Where there is a possible obligation or a present obligation and likelihood of outflow of resources is remote, no provision or disclosure is made.

Provision for warranty related costs are recognised when the terms and conditions attached to and forming part of the executed portion of the contract of sale of products and/or providing of services or both are assessed to have underlying obligation to be met during the warranty period. The estimate of such warranty costs is revised annually. Contingent assets are not recognised but disclosed in the financial statements, where economic inflow is probable.



Notes to the standalone financial statements for year ended 31 March 2025

Note:- 3 : Property, plant & equipment

₹ in Lakhs

Particulars	Land	Buildings	Plant and Machinery	Furniture & Fixtures	Motor Vehicles	Office Equipment	Computers and data processing units	Books & Periodicals	Tools and Equipment	Total
<b>Cost</b>										
<b>At 31 March 2023</b>	136.30	223.15	25.35	3.91	54.17	2.80	9.11	-	-	454.79
Additions	-	389.67	-	19.12	1.37	4.32	3.17	-	-	417.65
Disposals/Adjustments	136.30	223.16	-	3.92	-	-	-	-	-	363.38
<b>At 31 March 2024</b>	-	<b>389.66</b>	<b>25.35</b>	<b>19.11</b>	<b>55.54</b>	<b>7.12</b>	<b>12.28</b>	-	-	<b>509.06</b>
Additions	-	8.90	1.30	0.19	-	2.65	7.10	1.20	4.74	26.08
Disposals/Adjustments	-	-	-	-	-	-	-	-	-	-
<b>At 31 March 2025</b>	-	<b>398.56</b>	<b>26.65</b>	<b>19.30</b>	<b>55.54</b>	<b>9.77</b>	<b>19.38</b>	<b>1.20</b>	<b>4.74</b>	<b>535.14</b>
<b>Depreciation and Impairment</b>										
<b>At 31 March 2023</b>	-	40.65	11.63	1.35	39.90	2.54	6.78	-	-	102.85
Depreciation for the Year	-	29.28	2.97	3.44	4.61	1.21	0.95	-	-	42.46
Disposals/Adjustments	-	42.93	-	1.39	-	-	-	-	-	44.32
<b>At 31 March 2024</b>	-	<b>27.00</b>	<b>14.60</b>	<b>3.40</b>	<b>44.51</b>	<b>3.75</b>	<b>7.73</b>	-	-	<b>100.99</b>
Depreciation for the Year	-	34.92	2.75	4.08	1.35	2.50	2.89	0.31	0.82	49.62
Disposals/Adjustments	-	-	-	-	-	-	-	-	-	-
<b>At 31 March 2025</b>	-	<b>61.92</b>	<b>17.35</b>	<b>7.48</b>	<b>45.86</b>	<b>6.25</b>	<b>10.62</b>	<b>0.31</b>	<b>0.82</b>	<b>150.61</b>
<b>Net Book Value</b>										
<b>At 31 March 2025</b>	-	336.64	9.30	11.82	9.68	3.52	8.76	0.89	3.92	<b>384.53</b>
<b>At 31 March 2024</b>	-	362.66	10.75	15.71	11.03	3.37	4.55	-	-	<b>408.07</b>

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

Particulars	31 March 2025	31 March 2024
<b>Carrying amounts of:</b>		
Building	336.25	362.66
Vehicles	9.68	11.03
<b>Total</b>	<b>346.32</b>	<b>373.69</b>

Note:-

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



**Note 4 Right of use of assets**

₹ in Lakhs

Particulars	Buildings	Total
<b>Gross Block</b>		
As at 31 March 2023	43.84	43.84
Add: Additions	-	-
Less: Disposals/adjustments	-	-
As at 31 March 2024	43.84	43.84
Add: Additions	-	-
Less: Disposals/adjustments	-	-
As at 31 March 2025	43.84	43.84

**Accumulated depreciation**

₹ in Lakhs

As at 31 March 2023	6.68	6.68
Charge for the period	14.61	14.61
Less: Disposals/adjustments	-	-
As at 31 March 2024	21.29	21.29
Charge for the period	14.61	14.61
Less: Disposals/adjustments	-	-
As at 31 March 2025	35.90	35.90

**Net carrying amount**

₹ in Lakhs

As at 31 March 2024	22.55	22.55
As at 31 March 2025	7.94	7.94

**Note: 5 Investment - non current**

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Financial assets carried at amortised cost:</b>		
<b>Investments in equity instruments of subsidiaries</b>		
<b>Unquoted - Fully paid up Equity Shares</b>		
30,00,000 (P.Y. : 30,00,000) - Sharika Spintech Pvt. Ltd. of Rs. 10 each	300.00	300.00
9997 (P.Y. : 9997) - Sharika Smartec Pvt. Ltd. of Rs. 10 each	1.00	1.00
4200 (P.Y. : NIL) - Contronics Switchgear India Pvt. Ltd. of Rs. 100 each	30.00	-
Less: Provision for Impairment*	-	(285.28)
Investment in additional equity of subsidiary on account of fair valuation of loans (Sharika Spintech Pvt. Ltd.) - (i)	266.25	-
<b>Total</b>	<b>597.25</b>	<b>15.72</b>

(i) The Company has provided loan to its wholly-owned subsidiary. In accordance with Indian Accounting Standards (Ind AS), particularly as per Ind AS 109 (Financial Instruments) and Ind AS 32 (Financial Instruments: Presentation), management has assessed the substance of the arrangement.

Based on the terms and conditions of the loan—specifically, its perpetual nature, absence of a specified repayment schedule, and intention that it forms part of the net investment in the subsidiary—the loan has been classified as "deemed equity".

(ii) \*Refer note 37

**Details of unquoted investments**

₹ in Lakhs

Particulars	As at 31 March, 2025	As a 31 March 2024
(a) Aggregate book value of unquoted investments	597.25	301.00
(b) Aggregate amount of impairment in value of investment	-	285.28



**Note: 6 : Other Financial assets-non current**

₹ in Lakhs

Particulars	As at 31 March, 2025	As a 31 March 2024
Bank deposits with more than 12 months maturity	92.03	21.42
Security deposits	6.17	4.79
<b>Total</b>	<b>98.20</b>	<b>26.21</b>

Note:- Bank deposits are provided as margin money against bank guarantees provided by the Company to its customers.

**Note: 7 : Deferred tax assets**

₹ in Lakhs

Particulars	As at 31 March, 2025	As a 31 March 2024
Property, plant and equipments, Intangible assets and right of use assets	1.19	(3.15)
Lease Liabilities	2.44	6.39
Items disallowed u/s 43B of Income tax act, 1961	0.12	-
Business loss and unabsorbed depreciation	18.42	62.63
Provision for doubtful debts	8.45	-
Others	16.18	9.29
<b>Total</b>	<b>46.80</b>	<b>75.16</b>

**Reconciliation of Deferred Tax Assets/(Liabilities)**

<b>Opening Deferred Tax Assets</b>	<b>75.16</b>	<b>19.43</b>
Deferred tax credit/ (charge) recorded in Statement of Profit and Loss	(29.38)	54.43
Deferred tax credit/ (charge) recorded in Other Comprehensive Income	1.02	1.30
<b>Closing Deferred Tax Assets/(Liabilities)</b>	<b>46.80</b>	<b>75.16</b>

**Note: 8 : Other non current assets**

₹ in Lakhs

Particulars	As at 31 March, 2025	As a 31 March 2024
Capital advances	400.54	201.68
<b>Total</b>	<b>400.54</b>	<b>201.68</b>

**Note: 9 : Inventories**

₹ in Lakhs

Particulars	As at 31 March, 2025	As a 31 March 2024
Project inventory	805.60	1,121.89
<b>Total</b>	<b>805.60</b>	<b>1,121.89</b>

**Note: 10 : Contract assets**

₹ in Lakhs

Particulars	As at 31 March, 2025	As a 31 March 2024
Unbilled revenue	180.44	325.00
Retention money	306.85	-
<b>Total</b>	<b>487.29</b>	<b>325.00</b>





**Note: 11 : Trade receivables**

₹ in Lakhs

Particulars	As at 31 March, 2025	As a 31 March 2024
<b>Unsecured:</b>		
Considered good - unsecured	3,769.74	2,070.37
Receivables which have significant increase in credit risk	33.55	236.17
Retention money	-	-
<b>Sub Total</b>	<b>3,803.29</b>	<b>2,306.54</b>
Less: Impairment allowance	(33.55)	(236.17)
<b>Sub Total</b>	<b>(33.55)</b>	<b>(236.17)</b>
<b>Total</b>	<b>3,769.74</b>	<b>2,070.37</b>

**Note: 12 : Cash and bank balances**

₹ in Lakhs

Particulars	As at 31 March, 2025	As a 31 March 2024
<b>A) Cash &amp; cash equivalents</b>		
(I) Cash on hand	8.74	0.45
(II) Balances with banks		
(i) In Current account	4.83	6.97
(ii) Deposits with original maturity less than 3 months	-	31.08
<b>Sub total</b>	<b>13.57</b>	<b>38.50</b>
<b>B) Other bank balances</b>		
Deposits with original maturity more than 3 months and remaining maturity less than 12 months	137.45	85.96
<b>Sub total</b>	<b>137.45</b>	<b>85.96</b>
<b>Total</b>	<b>151.02</b>	<b>124.46</b>

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

**Note: 13 : Loans - current**

₹ in Lakhs

Particulars	As at 31 March, 2025	As a 31 March 2024
Inter corporate loans and other advances	253.62	263.62
Inter corporate loans - related party	71.20	235.47
Less: Impairment	(253.62)	-
<b>Total</b>	<b>71.20</b>	<b>499.09</b>

**Note: 14 : Other financial assets - current**

₹ in Lakhs

Particulars	As at 31 March, 2025	As a 31 March 2024
Earnest money deposit	48.11	79.64
Accrued Interest	11.94	-
<b>Total</b>	<b>60.05</b>	<b>79.64</b>



**Note: 15 : Current Tax Assets**

₹ in Lakhs

Particulars	As at 31 March, 2025	As a 31 March 2024
TDS Receivable	43.94	30.72
<b>Total</b>	<b>43.94</b>	<b>30.72</b>

**Note: 16 : Other current assets**

₹ in Lakhs

Particulars	As at 31 March, 2025	As a 31 March 2024
Prepaid expenses	10.98	3.11
Balances with government authorities	11.13	18.71
Advance to Suppliers and others	371.00	589.48
<b>Total</b>	<b>393.11</b>	<b>611.30</b>

**Note: 17 : Share capital**

₹ in Lakhs

Particulars	As at 31 March, 2025	As a 31 March 2024
<b>(a) Authorised</b> 4,40,00,000 (P.Y.: 4,40,00,000) Equity Shares of the par value of Rs. 5/- each	2,200.00	2,200.00
<b>TOTAL</b>	<b>2,200.00</b>	<b>2,200.00</b>
<b>(b) Issued, Subscribed and fully paid up</b> 4,33,00,000 (P.Y.: 4,33,00,000) Equity Shares of the par value Rs. 5/- each	2,165.00	2,165.00
<b>TOTAL</b>	<b>2,165.00</b>	<b>2,165.00</b>

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

₹ in Lakhs

Particulars	As at 31 March, 2025		As a 31 March 2024	
	No. of Shares	Amount	No. of Shares	Amount
Outstanding at the beginning of the year	4,33,00,000	2,165.0	4,33,00,000	2,165.00
Add: Shares issued during the year	-	-	-	-
Outstanding at the end of the year	<b>4,33,00,000</b>	<b>2,165.00</b>	<b>4,33,00,000</b>	<b>2,165.00</b>

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

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

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

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

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

Name Of Shareholder	As at 31 March 2025		As at 31 March 2024	
	No. of Shares	Percentage	No. of Shares	Percentage
Rajinder Kaul	79,04,000	18.25%	79,04,000	18.25%
Ravinder Bhan	54,28,832	12.54%	54,28,832	12.54%
Arun Kaul	54,28,528	12.54%	54,28,528	12.54%
Sanjay Verma	43,42,565	10.03%	43,42,640	10.03%
Meghana Zutshi Kaul	21,71,472	5.01%	21,71,472	5.01%
<b>Total</b>	<b>2,52,75,397</b>		<b>2,52,75,472</b>	



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

Name of Shareholder	As at 31 March 2025	As at 31 March 2024	% change during the year
Rajinder Kaul	79,04,000	79,04,000	0%
Ravinder Bhan	54,28,832	54,28,832	0%
Arun Kaul	54,28,528	54,28,528	0%
Meghana Zutshi Kaul	21,71,472	21,71,472	0%
Shray Bhan	10,85,584	10,85,584	0%
Mukta Mani Kaul	9,98,944	9,98,944	0%
Hansa Kaul	8,68,528	8,68,528	0%
Sanjay Verma	43,42,565	43,42,640	0%

Name of Shareholder	As at 31 March 2024	As at 31 March 2023	% change during the year
Rajinder Kaul	79,04,000	79,04,000	0%
Ravinder Bhan	54,28,832	54,28,832	0%
Arun Kaul	54,28,528	54,28,528	0%
Meghana Zutshi Kaul	21,71,472	21,71,472	0%
Shray Bhan	10,85,584	10,85,584	0%
Mukta Mani Kaul	9,98,944	9,98,944	0%
Hansa Kaul	8,68,528	8,68,528	0%
Sanjay Verma	43,42,640	43,42,640	0%

#### Note : 18 Other equity

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
General reserve	10.00	10.00
Retained earnings	541.23	447.08
<b>Total</b>	<b>551.23</b>	<b>457.08</b>

#### Note 18.1 General reserve

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Balance as at the beginning of the year	10.00	10.00
Add: Transferred from retained earnings	-	-
<b>Closing balance</b>	<b>10.00</b>	<b>10.00</b>

#### Note 18.2 Retained earnings

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Balance as at the beginning of the year	447.08	225.21
Add: Profit / (loss) during the year	97.19	225.74
Add: Other comprehensive income arising from remeasurement of defined benefit obligation	(3.04)	(3.87)
<b>Closing balance</b>	<b>541.23</b>	<b>447.08</b>



**Note: 19 Borrowings - non current**

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
<b>(a) Secured</b>		
<u>Term loan</u>		
From Banks	180.36	273.70
From Bank - Vehicle loan	6.99	12.63
<b>(b) Unsecured</b>		
<u>From Banks</u>	116.08	47.88
From NBFC	115.55	35.95
<b>Total</b>	<b>418.98</b>	<b>370.16</b>
Less: current maturities of long term borrowings	<b>156.63</b>	<b>170.57</b>
<b>Total</b>	<b>262.35</b>	<b>199.59</b>

\*Refer Note 55(a) for terms of repayment and rate of interest of the borrowings.

**Note 20 Lease liabilities**

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Lease liabilities	1.49	9.71
<b>Total</b>	<b>1.49</b>	<b>9.71</b>

**Note: 21 Long term provisions**

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Gratuity payable	63.11	50.03
Leave encashment payable	6.88	2.71
<b>Total</b>	<b>69.99</b>	<b>52.73</b>

**Note: 22 Borrowings - current**

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
<b>(A) Secured</b>		
<b>Loan Repayable on Demand</b>		
From Banks	572.20	379.95
State financial institution	499.63	97.36
Current maturity of long term borrowings	156.63	170.57
Loan from related parties	3.30	7.24
<b>Total</b>	<b>1,231.76</b>	<b>655.12</b>



**Note: 23 : Lease liabilities - current**

₹ in Lakhs

Particulars	As at 31 March, 2025	As a 31 March 2024
Lease liabilities	8.22	15.67
<b>Total</b>	<b>8.22</b>	<b>15.67</b>

**Note 24 :Trade payables**

₹ in Lakhs

Particulars	As at 31 March, 2025	As a 31 March 2024
Total outstanding dues of micro enterprises and small enterprises	29.52	0.44
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,102.47	970.24
<b>Total</b>	<b>2,131.99</b>	<b>970.68</b>

**Note 25 : Other financial liabilities - current**

₹ in Lakhs

Particulars	As at 31 March, 2025	As a 31 March 2024
Employees payable	39.38	56.14
Others payable	160.91	191.90
<b>Total</b>	<b>200.29</b>	<b>248.04</b>

**Note 26 : Other current liabilities**

₹ in Lakhs

Particulars	As at 31 March, 2025	As a 31 March 2024
Statutory dues	146.30	148.10
Advance from customer and others	545.34	682.72
<b>Total</b>	<b>691.64</b>	<b>830.82</b>

**Note 27 : Provisions - current**

₹ in Lakhs

Particulars	As at 31 March, 2025	As a 31 March 2024
Gratuity	2.26	1.87
Leave encashment	0.25	0.11
<b>Total</b>	<b>2.51</b>	<b>1.98</b>

**Note 28 : Current tax liabilities (net)**

₹ in Lakhs

Particulars	As at 31 March, 2025	As a 31 March 2024
Current tax liabilities	0.74	5.44
<b>Total</b>	<b>0.74</b>	<b>5.44</b>

**Note 29 : Revenue from operations**

₹ in Lakhs

Particulars	Year ended 31 March, 2025	Year ended 31 March 2024
Sale of Goods	6,844.21	6,493.49
Sale of Services	1,105.95	1,347.61
<b>Total</b>	<b>7,950.16</b>	<b>7,841.10</b>



**Note 30 : Other income**

₹ in Lakhs

Particulars	Year ended 31 March, 2025	Year ended 31 March 2024
<b>Interest income on financial assets carried at amortised cost</b>		
Interest from fixed deposits with banks	10.14	6.48
Interest from loan with Subsidiary	1.19	-
Interest from security deposit	0.28	0.25
<b>Other non-operating income</b>		
Foreign exchange fluctuation	10.96	19.34
Miscellaneous income - non operating	6.90	7.35
Profit on sale of property, plant and equipment	-	155.91
Interest from income tax	1.62	1.41
<b>Total</b>	<b>31.09</b>	<b>190.74</b>

**Note 31 : Cost of materials consumed**

₹ in Lakhs

Particulars	Year ended 31 March, 2025	Year ended 31 March 2024
Opening - Project inventory	1,121.90	866.54
Purchase	5,909.14	6,618.23
Closing - Project inventory	805.61	1,121.90
<b>Total</b>	<b>6,225.43</b>	<b>6,362.87</b>

**Note 32 : Sub-contracting charges**

₹ in Lakhs

Particulars	Year ended 31 March, 2025	Year ended 31 March 2024
Sub-contracting charges	424.33	199.05
<b>Total</b>	<b>424.33</b>	<b>199.05</b>

**Note :-33 : Employee benefits expense**

₹ in Lakhs

Particulars	Year ended 31 March, 2025	Year ended 31 March 2024
Salaries and wages	418.47	411.47
Contribution to provident and other funds	15.64	17.50
Staff welfare expense	11.53	5.48
<b>Total</b>	<b>445.64</b>	<b>434.45</b>



**Note :-34 : Finance cost**

₹ in Lakhs

Particulars	Year ended 31 March, 2025	Year ended 31 March 2024
<b>Interest on financial liabilities at amortised cost</b>		
Interest on borrowings	122.92	105.32
Lease liability interest	2.28	4.02
Interest others	7.31	3.05
<b>Total</b>	<b>132.51</b>	<b>112.39</b>
<b>Other borrowings costs</b>		
Loan processing fee	9.92	0.71
BG/LC Commission Charges	28.29	11.03
<b>Total</b>	<b>170.72</b>	<b>124.13</b>

**Note :-35 : Depreciation and amortisation**

₹ in Lakhs

Particulars	Year ended 31 March, 2025	Year ended 31 March 2024
Depreciation of property, plant and equipment	49.62	42.46
Depreciation of Right of use(ROU)	14.61	14.61
<b>Total</b>	<b>64.23</b>	<b>57.07</b>

**Note :-36 : Other expenses**

₹ in Lakhs

Particulars	Year ended 31 March, 2025	Year ended 31 March 2024
Auditor's Remuneration	5.65	3.60
Business promotion	21.93	21.20
Expected credit loss*	33.55	236.17
Security expenses	18.55	12.82
Director Sitting Fees	1.38	1.84
Power & Fuel	3.12	3.04
Freight Outwards	162.77	160.09
Insurance Charges	3.22	7.28
Penalty Charges	10.53	15.24
Liquidity Damages	61.17	40.98
Rent	26.96	10.28
Legal & Professional Charges	71.53	42.20
Miscellaneous Expenses	26.71	26.83
Rates & Taxes	20.10	17.62
Repair & Maintenance	27.36	18.54
Travelling and conveyance expenses	66.16	60.53
<b>Total</b>	<b>560.69</b>	<b>678.26</b>

\* It includes bad debts





**Note :-37 : Exceptional Items**

**₹ in Lakhs**

Particulars	Year ended 31 March, 2025	Year ended 31 March 2024
Impairment of Inter corporate loans and other advances	(253.62)	-
Reversal of impairment on investment in subsidiary	285.28	-
<b>Total</b>	<b>31.66</b>	<b>-</b>

The Company's investment in Sharika Spintech Private Limited ("Spintech"), comprising of equity and loans, amounting ₹ 566.25 Lakhs as at 31 March 2025, after reversal of a provision for diminution of ₹ 285.28 Lakhs. Although Spintech has accumulated losses of ₹ 453.07 Lakhs as at 31 March 2025, management believes the carrying value remains appropriate, supported by a Preliminary Agreement with Brazil's SPIN Engenharia for collaboration on specific smart grid automation solutions.

The collaboration is expected to enhance value through technological integration and modernization of the power sector. The fair value, assessed using the discounted cash flow method, is based on key assumptions including technology adoption, cost efficiencies, and execution of business plans. Based on these factors, supported by an independent valuation, management is of view that the carrying value of the investment in Spintech as at 31 March 2025 is appropriate."

The Company evaluated the recoverability of its intercorporate loans using the Expected Credit Loss (ECL) model as per Ind AS 109. Based on this assessment, and considering indicators such as financial stress, default on repayment, and low probability of recovery, the loans given to other corporates were classified as credit-impaired (Stage 3).

Accordingly, a 100% provision amounting to ₹ 249.62 Lakhs has been recognised during the year in the Statement of Profit and Loss under exceptional item."

**Note:-38 Income tax recognised in Statement of Profit and Loss**

**₹ in Lakhs**

Particulars	Year ended 31 March, 2025	Year ended 31 March 2024
<b>Current tax</b>		
In respect of the current year	-	4.70
In respect of the earlier year	-	-
<b>Deferred tax</b>		
In respect of the current year	29.38	(54.43)
In respect of the earlier year	-	-
<b>Taxation pertaining to earlier years</b>		
In respect of the current year	-	-
In respect of the earlier year	(4.70)	-
<b>Total income tax expense recognised in the current year</b>	<b>24.68</b>	<b>(49.73)</b>

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

Particulars	Year ended 31 March, 2025	Year ended 31 March 2024
Profit before tax	121.87	176.01
Income tax expense	30.67	44.30
In respect of the earlier year	(4.70)	-
Effect of expenses that are not deductible in determining taxable profits	1.88	4.55
Deferred tax not recognised in previous year	-	(71.59)
Others	(3.17)	(26.99)
<b>Income tax expense recognised in Statement of Profit and Loss</b>	<b>24.68</b>	<b>(49.73)</b>



**Note:-39 Income tax recognised in other comprehensive income**

₹ in Lakhs

Particulars	Year ended 31 March, 2025	Year ended 31 March 2024
<b>Deferred tax</b>		
In respect of the current year	1.02	1.30

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

₹ in Lakhs

Particulars	Year ended 31 March, 2025	Year ended 31 March 2024
Other Comprehensive income	4.06	5.17
Income tax expense	1.02	1.30

The tax rate used for the year ended 31 March 2025 and 31 March 2024 in reconciliations above is the corporate tax rate of 25.17 % and 25.17% respectively payable by corporate entities in India on taxable profits under the Indian tax law.

Provision for tax in the standalone financial statement for the year ended 31 March 2025 and year ended 31 March 2024 are only provisional in the respective years and subject to change at the time of filing of Income Tax Return based on actual addition/deduction as per provisions of Income Tax Act 1961.

**Note:-40 : Earnings per share**

₹ in Lakhs

Particulars	Year ended 31 March, 2025	Year ended 31 March 2024
<b>Basic and Diluted earnings per share</b>		
Profit for the year (₹ in lakhs)	97.19	225.74
Weighted average number of equity shares used in calculation of basic and diluted EPS (Nos.)	43,300,000	43,300,000
Nominal value of each share (in ₹)	5.00	5.00
Basic and Diluted earnings/(loss) per share (in ₹)	0.22	0.52

**Note:-41 Employee benefits:**

**(a) Defined Contribution Plans**

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

Contribution to provident fund of ₹ 15.33 Lakhs (previous year: ₹ 16.01 Lakhs) is recognized as an expense and included in "Contribution to provident and other funds" in Statement of Profit and Loss.

**(b) Defined Benefit Plans:**

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

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

The most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at 31 March 2025 and 31 March 2024 by Mithras Consultants, Fellow of the Institute of the Actuaries of India. The present value of the defined benefit obligation, the related current service cost and past service cost, were measured using the projected unit credit method.



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

₹ in Lakhs

**Gratuity**

Particulars	As at 31 March 2025	As at 31 March 2024
Opening defined benefit obligation	51.90	48.78
Liability Transfer In/(Out)	-	-
Current service cost	7.65	6.22
Interest cost	3.74	3.63
Benefits paid	(1.98)	(11.90)
Actuarial (gain) / loss on obligations	4.06	5.17
<b>Present value of obligation as at the year end</b>	<b>65.37</b>	<b>51.90</b>

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

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Current service cost	7.65	6.22
Interest cost	3.74	3.63
<b>Amount recognised in profit or loss</b>	<b>11.39</b>	<b>9.85</b>
Actuarial (gain)/loss		
a) arising from changes in financial assumptions	3.20	0.87
b) due to change in demographic assumptions	-	5.26
b) arising from experience adjustments	0.86	(0.96)
<b>Amount recognised in other comprehensive income</b>	<b>4.06</b>	<b>5.17</b>

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

Particulars	As at 31 March 2025	As at 31 March 2024
Discount rate(Per annum)	6.80%	7.21%
Expected rate of salary increase	10.00%	10.00%
Employee attrition rate	5.00%	5.00%
Mortality	100% of IALM 2012-14	100% of IALM 2012-14

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

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

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



### Sensitivity Analysis

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

Particulars	Gratuity	
	2024-25	2023-24
<b>Impact on present value of defined benefit obligation:</b>		
If discount rate is increased by 0.50% (PY 0.50%)	(3.87)	(2.95)
If discount rate is decreased by 0.50% (PY 0.50%)	4.24	3.22
If salary escalation rate is increased by 1.00% (PY 1.00%)	7.38	5.87
If salary escalation rate is decreased by 1.00% (PY 1.00%)	(6.78)	(5.29)
Increase Withdrawal Rate by 5.00%	(7.55)	(5.26)
Decrease Withdrawal Rate by 5.00%	15.05	10.39

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

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

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

Particulars	2023-24	2022-23
	Gratuity	
Expected outflow in 1st Year	2.26	1.88
Expected outflow in 2nd Year	2.38	2.02
Expected outflow in 3rd Year	2.55	2.12
Expected outflow in 4th Year	2.77	2.27
Expected outflow in 5th Year	2.92	2.42
Expected outflow in 6th Year onwards	170.30	138.16

The average duration of the defined benefit plan obligation at the end of the reporting period is 14 years ( For PY :-10 years)

### C. Other short term and long term employment benefits:

Annual leave & short term leave

The liability towards compensated absences (annual and short term leave) for the year ended 31 March 2024 based on actuarial valuation carried out by using Projected accrued benefit method results increase in liability by ₹ 2.81 Lakh (previous year : increase in liability by ₹ 8.80 Lakhs), which is included in the employee benefits in the Statement of Profit and Loss.

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

Particulars	As at	
	31 March 2025	31 March 2024
Discount rate	6.80%	7.21%
Expected rate of salary increase	10.00%	10.00%
Employee Attrition Rate	5.00%	5.00%
Mortality	100% of IALM 2012-14	100% of IALM 2012-14



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**Note:-42 Related Party Disclosures:**

**(i) Where control exists :**

M/s. Sharika Spintec Private Limited - subsidiary company

M/s. Sharika Smartec Private Limited - subsidiary company

M/s. Elettromeccanica India Private Limited - joint venture

M/s. Contronics Switchgear (India) Private Limited - subsidiary company (w.e.f. - 28/06/2024)

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

**Key Management Personnel (KMP)**

Mr. Rajinder Kaul - Managing director

Ms. Saumya Jaiswal - Company secretary (w.e.f - 09/11/2023 & upto - 07/03/2025)

Mr. Sanjay Verma - Executive director

Ms. Pushpa Yadav - Company secretary (w.e.f - 07/03/2025)

Ms. Garvita Asati - Chief financial officer

Mr. Aditya Sharma Company secretary (w.e.f - 14/02/2023 & upto - 09/11/2023)

Mr. Subir Mulchandani - Independent director (w.e.f - 09/11/2023)

Ms. Nidhi Gambhir - Independent director (w.e.f - 03/03/2023 & upto - 02/06/2023)

Ms. Saroj Chelluri - Independent director (w.e.f - 09/11/2023)

Mr. Tanu Sharma - Independent director (w.e.f - 25/05/2023 & upto - 19/12/2023)

Mr. Shyama Prasad Mukherjee (w.e.f - 25/07/2024)

Mr. Hitesh Kumar (w.e.f - 07/04/2023 & upto - 19/12/2023)

Mr. Arvind Kumar Koul - Independent director

Mr. Ranjeet Verma (w.e.f - 14/11/2018 & upto - 13/08/2023)

Mr. Ravinder Bhan - Manager (w.e.f - 01/04/2023)

Mr. Arun Kaul - Manager (w.e.f - 01/04/2023)



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

Particulars	Subsidiary companies		Joint venture		Key Management Personnel (KMP)			Total	
	2024-2025	2023-2024	2024-2025	2023-2024	2024-2025	2023-2024	2024-2025	2023-2024	2023-2024
<b>(A) Transactions during the year</b>									
<b>Advances / Loan taken during the year</b>									
Rajinder Kaul	-	-	-	-	12.00	18.00	12.00	18.00	18.00
<b>Total</b>	-	-	-	-	12.00	18.00	12.00	18.00	18.00
<b>Advances / Loan given during the year</b>									
Sharika Spintech Private Limited	44.73	-	-	-	-	-	44.73	-	-
Sharika Smartec Private Limited	41.52	13.95	-	-	-	-	41.52	13.95	13.95
Contronics Switchgear (India) Pvt Ltd	5.00	-	-	-	-	-	5.00	-	-
<b>Total</b>	91.25	13.95	-	-	-	-	91.25	13.95	13.95
<b>Remuneration expenses during the year</b>									
Rajinder Kaul	-	-	-	-	33.97	22.55	33.97	22.55	22.55
Ravinder Bhan	-	-	-	-	34.39	34.39	34.39	34.39	34.39
Arun Kaul	-	-	-	-	34.75	33.75	34.75	33.75	33.75
Sanjay Verma	-	-	-	-	34.75	22.55	34.75	22.55	22.55
Garvita Asati	-	-	-	-	17.09	11.91	17.09	11.91	11.91
Aditya Sharma	-	-	-	-	-	4.86	-	4.86	4.86
Saunhya Jaiswal	-	-	-	-	3.63	1.60	3.63	1.60	1.60
Pushpa Yadav	-	-	-	-	0.32	-	0.32	-	-
<b>Total</b>	-	-	-	-	158.90	131.61	158.90	131.61	131.61
<b>Sitting fee during the year</b>									
Arvind Kumar Koul	-	-	-	-	0.36	0.24	0.36	0.24	0.24
Subir Mulchandani	-	-	-	-	-	0.20	-	0.20	0.20
Saroj Chelluri	-	-	-	-	0.66	0.30	0.66	0.30	0.30
Nidhi Gambhir	-	-	-	-	-	0.08	-	0.08	0.08
Tanu Sharma	-	-	-	-	-	0.70	-	0.70	0.70
Hitesh Kumar	-	-	-	-	-	0.50	-	0.50	0.50
Shyama Prasad Mukherjee	-	-	-	-	0.36	-	0.36	-	-
<b>Total</b>	-	-	-	-	1.38	2.02	1.38	2.02	2.02



Particulars	Subsidiary companies		Joint venture		Key Management Personnel (KMP)		Total	
	2024-2025	2023-2024	2024-2025	2023-2024	2024-2025	2023-2024	2024-2025	2023-2024
<b>(A) Transactions during the year</b>								
<b>Reimbursement / imprest during the year</b>								
Rajinder Kaul	-	-	-	-	6.88	5.93	6.88	5.93
Ravinder Bhan	-	-	-	-	3.35	2.59	3.35	2.59
Arun Kaul	-	-	-	-	6.23	4.50	6.23	4.50
Sanjay Verma	-	-	-	-	5.86	6.06	5.86	6.06
Garvita Asati	-	-	-	-	2.37	0.01	2.37	0.01
<b>Total</b>	-	-	-	-	<b>24.70</b>	<b>19.09</b>	<b>24.70</b>	<b>19.09</b>
<b>Rent expenses during the year</b>								
Contronics Switchgear (India) Pvt Ltd	11.48	-	-	-	-	-	11.48	-
<b>Total</b>	<b>11.48</b>	-	-	-	-	-	<b>11.48</b>	-
<b>Purchase during the year</b>								
Contronics Switchgear (India) Pvt Ltd	1.28	-	-	-	-	-	1.28	-
<b>Total</b>	<b>1.28</b>	-	-	-	-	-	<b>1.28</b>	-
<b>Sales during the year</b>								
Sharika Smartec Private Limited	2.49	-	-	-	-	-	2.49	-
Contronics Switchgear (India) Pvt Ltd	46.23	-	-	-	-	-	46.23	-
<b>Total</b>	<b>48.72</b>	-	-	-	-	-	<b>48.72</b>	-
<b>Interest income during the year</b>								
Contronics Switchgear (India) Pvt Ltd	1.19	-	-	-	-	-	1.19	-
<b>Total</b>	<b>1.19</b>	-	-	-	-	-	<b>1.09</b>	-
<b>Loan / advances payable</b>								
Rajinder Kaul	-	-	-	-	3.30	6.44	3.30	6.44
<b>Total</b>	-	-	-	-	<b>3.30</b>	<b>6.44</b>	<b>3.30</b>	<b>6.44</b>
<b>Remuneration exp. payable</b>								
Rajinder Kaul	-	-	-	-	<b>2.10</b>	4.80	2.10	4.80
Ravinder Bhan	-	-	-	-	2.10	4.20	2.10	4.20
Arun Kaul	-	-	-	-	2.10	4.20	2.10	4.20



Particulars	Subsidiary companies		Joint venture		Key Management Personnel (KMP)			Total	
	2024-2025	2023-2024	2024-2025	2023-2024	2024-2025	2023-2024	2024-2025	2023-2024	2024-2025
<b>(A) Transactions during the year</b>									
Sanjay Verma	-	-	-	-	2.10	5.20	2.10	5.20	5.20
Garvita Asati	-	-	-	-	1.05	0.91	1.05	0.91	0.91
Saumya Jaiswal	-	-	-	-	0.07	0.28	0.07	0.28	0.28
Pushpa Yadav	-	-	-	-	0.27	-	0.27	-	-
<b>Total</b>	-	-	-	-	9.79	19.59	9.79	19.59	19.59
<b>Sitting fee payable</b>									
Arvind Kumar Koul	-	-	-	-	0.09	0.04	0.09	0.09	0.04
Subir Mulchandani	-	-	-	-	-	0.12	-	-	0.12
Saroj Chelluri	-	-	-	-	0.09	0.09	0.09	0.09	0.09
Shyama Prasad Mukherjee	-	-	-	-	0.09	-	0.09	-	-
<b>Total</b>	-	-	-	-	0.27	0.25	0.27	0.27	0.25
<b>Expenses payable</b>									
Rajinder Kaul	-	-	-	-	0.56	1.16	0.56	1.16	1.16
Arun Kaul	-	-	-	-	1.02	0.42	1.02	0.42	0.42
Sanjay Verma	-	-	-	-	0.27	0.49	0.27	0.27	0.49
Garvita Asati	-	-	-	-	0.03	-	0.03	-	-
<b>Total</b>	-	-	-	-	1.88	2.07	1.88	2.07	2.07
<b>Advance to employees</b>									
Ravinder Bhan	-	-	-	-	0.23	0.16	0.23	0.23	0.16
Garvita Asati	-	-	-	-	-	0.08	-	-	0.08
<b>Total</b>	-	-	-	-	0.23	0.24	0.23	0.23	0.24
<b>Trade Payables</b>									
Electromechanica India Private Limited	-	-	182.75	182.90	-	-	-	182.75	182.90
Contronics Switchgear India Pvt Ltd	-	-	1.48	-	-	-	-	1.48	-
<b>Total</b>	-	-	184.23	182.90	-	-	-	184.23	182.90
<b>Rent Payables</b>									
Contronics Switchgear India Pvt Ltd	-	-	1.98	-	-	-	-	1.98	-





Particulars	Subsidiary companies		Joint venture		Key Management Personnel (KMP)			Total	
	2024-2025	2023-2024	2024-2025	2023-2024	2024-2025	2023-2024	2024-2025	2023-2024	2023-2024
(A) Transactions during the year									
<b>Total</b>	-	-	1.98	-	-	-	1.98	-	-
<b>Advance Rent Paid</b>									
Contronics Switchgear India Pvt Ltd	-	-	-	5.13	-	-	-	-	5.13
<b>Total</b>	-	-	-	5.13	-	-	-	-	5.13
<b>Conversion of inter corporate deposit into investments in additional equity</b>									
Sharika Spintech Private Limited	266.25	-	-	-	-	-	-	-	266.25
<b>Total</b>	266.25	-	-	-	-	-	266.25	-	-
<b>Loan / advances receivable</b>									
Sharika Spintech Private Limited	-	221.52	-	-	-	-	-	-	221.52
Sharika Smartec Private Limited	55.46	13.95	-	-	-	-	55.46	-	13.95
Contronics Switchgear (India) Pvt Ltd	14.67	-	-	-	-	-	14.67	-	-
<b>Total</b>	70.12	235.47	-	-	-	-	70.12	-	235.47
<b>Trade receivable</b>									
Sharika Smartec Private Limited	2.94	-	-	-	-	-	2.94	-	-
Contronics Switchgear (India) Pvt Ltd	41.32	-	-	-	-	-	41.32	-	-
<b>Total</b>	44.26	-	-	-	-	-	44.26	-	-
<b>Interest receivable</b>									
Contronics Switchgear (India) Pvt Ltd	1.08	-	-	-	-	-	1.08	-	-
<b>Total</b>	1.08	-	-	-	-	-	1.08	-	-

**(C) Guarantee**

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

**Notes:**

- Sales, purchases and service transactions with the related parties are exclusive of taxes and made at arm's length price.
- Amounts outstanding are unsecured and will be settled in cash or receipts of goods and services.
- No expense has been recognised for the year ended 31 March 2025 and 31 March 2024 for bad or doubtful trade receivables in respect of amounts owed by related parties.
- There have been no guaranties received or provided for any related party receivables or payables.
- Components of Compensation of Key management personnel:



Particulars	2024-25	2023-24
Short term benefits	158.90	131.61
Post employment benefits:*	-	-
Long term employment benefits:*	-	-
Share based payments	-	-
Termination benefits	-	-
Sitting fees paid to directors	1.38	2.02
<b>Total</b>	<b>160.28</b>	<b>133.63</b>

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

**Note:-43 Contingent liabilities:**

(a) Contingent liabilities as at 31 March 2025 : Rs. Nil (31 March 2024 : Rs. Nil)

**Note:-44 Capital and other Commitments**

- Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 210.54 Lakhs (as at 31 March 2024: ₹ 201.68 Lakhs).
- Bank guarantees and letter of credit issued by the Company to its customers for ₹ 1,518.60 Lakhs (as at 31 March 2024: ₹ 843.40 Lakhs).

**Note:-45 Balance confirmation**

The Company has a system of obtaining periodic confirmation of balances from banks, trade receivables/payables/advances to vendors and other parties (other than disputed parties). Adjustments/restatement/impairment loss/provisions on advances, if any will be accounted for on confirmation/reconciliation of the same, which in the opinion of the management will not have a material impact on the standalone financial statement.

**Note:-46 Segment information**

The Company is primarily engaged in Engineering, Procurement and Construction business (EPC) relating to Electrical and other Cables, Capacitors, Wires and Conductors, etc. and Turnkey Projects predominantly relating thereto. Information is reported to and evaluated regularly by the Chief Operating Decision Maker (CODM) for the purpose of resource allocation and assessing performance, focuses on the business as a whole and accordingly, there is a single reportable segment in the context of the Operating Segment as defined under Ind AS 108.

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

**(A) Disaggregated revenue information**

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

Reportable segment	₹ in Lakhs	
Particulars	2024-2025	2023-2024
<b>Major Product/ Service Lines</b>		
Sale of goods	6,844.21	6,493.49
Sale of services	1,105.95	1,347.61
<b>Total</b>	<b>7,950.16</b>	<b>7,841.10</b>

**(B) Contract balances**

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

Outstanding Trade Receivables are usually non-interest bearing and are generally on credit terms upto 90 days except retention money and certain other recoverable amounts withheld by the customer(s) as per the governing terms and conditions of the underlying contract(s)/turnkey contracts. The outstanding Trade Receivables relating to turnkey contracts are generally non-interest bearing and credit terms thereunder are specific to each of such contracts. During the Current year, the Company has recognised a provision for expected credit loss on Trade Receivables of ₹ 33.55 lakhs (previous year : ₹ 236.17 lakhs).



Contract Assets include Unbilled Revenue as receipt of customers' acceptances are conditional upon successful completion of milestones and certification of installation. Contract Liabilities include advances received from customers and Excess of Billing over the Revenue.

(C) Revenue from two customer which accounts for more than 10% of the total revenue of the Company is as follows:-

₹ in Lakhs		
Particulars	2024-2025	2023-2024
Customer 1	35.67	57.92
Customer 2	14.30	8.82

**Note:-48** The company has a comprehensive system of maintenance of information and documents as required by the Goods and Services Act ("GST Act"). Since the GST Act requires existence of such information and documentation to be contemporaneous in nature, books of accounts of the company are also subject to filing of GST Periodic and Annual Return as per applicable provisions of GST Act to determine whether the all transactions have been duly recorded and reconcile with the GST Portal. Adjustments, if any, arising while filing the GST Annual Return shall be accounted for as and when the return is filed for the current financial year. However, the management is of the opinion that the aforesaid annual return will not have any material impact on the Standalone financial statements.

**Note:-49** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits has received Presidential assent on 28 September 2020. The Code has been published in the Gazette of India. However, the effective date of the Code is yet to be notified and final rules for quantifying the financial impact are also yet to be issued. In view of this, the Company will assess the impact of the Code when relevant provisions are notified and will record related impact, if any, in the period the Code becomes effective.

**Note:- 50 Leases**

**Company as a lessee**

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

**i. Carrying value of right-of-use assets by class of underlying assets**

₹ in Lakhs

Particulars	Building	Total
As at 31 March 2023	37.16	37.16
Add: Additions	-	-
Less: Disposals/adjustments	14.61	14.61
<b>As at 31 March 2024</b>	<b>22.55</b>	<b>22.55</b>
Add: Additions	-	-
Less: Disposals/adjustments	14.61	14.61
<b>As at 31 March 2025</b>	<b>7.94</b>	<b>7.94</b>

**ii. Movement in lease liability during year ended**

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Opening Balance	25.38	38.28
Additions during the year	-	-
Deletions	-	-
Interest on lease liabilities	2.28	4.02
Payment of lease liabilities	17.95	16.92
<b>Closing Balance</b>	<b>9.71</b>	<b>25.38</b>



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

Particulars	₹ in Lakhs	
	As at 31 March 2025	As at 31 March 2024
<b>Maturity analysis - contractual undiscounted cash flows</b>		
Less than one year	8.22	15.67
One to five years	1.49	9.71
More than five years	-	-
<b>Total undiscounted lease liabilities</b>	<b>9.71</b>	<b>25.38</b>

iv. Amount recognized in statement of profit and loss

Particulars	₹ in Lakhs	
	As at 31 March 2025	As at 31 March 2024
Interest on lease liabilities	2.28	4.02
Included in rent expenses: Expense relating to short-term leases	26.96	10.28

v. Amounts recognised in the statement of cash flows

Particulars	₹ in Lakhs	
	As at 31 March 2025	As at 31 March 2024
Total cash outflow for leases	44.91	27.20

Note 51 : Payment to Auditor

Particulars	₹ in Lakhs	
	2024-25	2023-24
Audit fees	4.15	2.00
For other services	1.50	1.60
<b>Total</b>	<b>5.65</b>	<b>3.60</b>

Note : The above amounts are exclusive of GST

**Note:-52** There have been no delays in transferring amounts required to be transferred to the Investor Education and Protection Fund.

**Note:-53** Additional disclosure in respect of loans given, as required by the Listing Agreement:

i) Name of the loanee - Sharika Spintech Private Limited

Particulars	₹ in Lakhs	
	As at 31 March 2025	As at 31 March 2024
In respect of Inter-corporate deposit*:		
Amount at the year end	266.25	221.52
Maximum balance during the year	266.25	221.52
Investment by the loanee in shares of the Company	300.00	300.00

\* It has been treated as investment in the subsidiary as per Ind AS provisions.



**ii) Name of the loanee - Sharika Smartec Private Limited**

**₹ in Lakhs**

Particulars	As at 31 March 2025	As at 31 March 2024
In respect of Inter-corporate deposit:		
Amount at the year end	55.46	13.95
Maximum balance during the year	55.46	13.95
Investment by the loanee in shares of the Company	1.00	1.00

**iii) Name of the loanee - Contronics Switchgear (India) Private Limited**

**₹ in Lakhs**

Particulars	As at 31 March 2025	As at 31 March 2024
In respect of Inter-corporate deposit:		
Amount at the year end	14.67	-
Maximum balance during the year	14.67	-
Investment by the loanee in shares of the Company	30.00	-

**Note:-54 Disclosure required under section 186(4) of the Companies Act, 2013**

**Loans to related parties:**

**₹ in Lakhs**

Name of the Party	As at 31 March 2025	As at 31 March 2024
Sharika Spintech Private Limited*	-	221.52
Sharika Smartec Private Limited	55.46	13.95
Contronics Switchgear (India) Private Limited	14.67	-

\* It has been treated as investment in the subsidiary as per Ind AS provisions.

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

**Note:-55(a) Terms of repayment and securities for non-current borrowings**

**₹ in Lakhs**

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Secured Loan</b>		
HDFC Vehicle Loan - 6276, This loan fully paid in current year.	-	0.60
HDFC Vehicle Loan - 6624, This loan fully paid in current year.	-	0.60
HDFC Vehicle Loan -2296, This loan fully paid in current year.	-	0.94
ICICI Bank Ltd Vehicle Loan, This loan is secured against hypothecation	6.99	10.50
WCTL under GECL 1.0 Loan, This loan is secured against the property of directors and ATS Building. This loan is repayable by repayment of EMI Rs. lumpsum with interest at the rate Market Rate, The loan is repayable in balance 6 monthly instalments.	14.79	38.64
J&K Bank GECL - MSME Loan, This loan fully paid in current year.	-	6.50
J&K Bank Ltd - ATS Office Loan, This loan is secured against the property of directors and ATS Building. This loan is repayable by repayment of EMI Rs. 5,00,000 with interest at the rate Market Rate. The loan is repayable in balance 46 monthly instalments.	165.56	228.55
<b>Unsecured Loan</b>		
Hero Fincorp Ltd, This loan is repayable by repayment of EMI Rs. 88,772 with interest at the rate of 16%, The loan is repayable in balance 7 monthly instalments.	5.90	14.81



IndusInd Bank Limited, This loan fully paid in current year.	-	8.33
ICICI Bank Ltd, This loan fully paid in current year.	-	22.37
Credit Saison Kisetsu Saison Finance (India) Pvt Ltd, This loan is repayable by repayment of EMI Rs. 1,28,171 with interest at the rate, of 17.5% The loan is repayable in balance 7 monthly instalments.	8.47	21.14
Unity Small Finance Bank Ltd, This loan is repayable by repayment of EMI Rs. 1,09,159 with interest at the rate of 17.5%, The loan is repayable in balance 6 monthly instalments.	6.23	17.17
Unity Small Finance Bank Ltd - USFBDELBL00000000108, This loan is repayable by repayment of EMI Rs. 1,20,578 with interest at the rate of 17%, The loan is repayable in balance 26 monthly instalments.	26.07	-
Indusind Bank - 0085836, This loan is repayable by repayment of EMI Rs. 1,41,618 with interest at the rate of 17%, The loan is repayable in balance 30 monthly instalments.	34.59	-
ICICI Bank Loan_UPNOD00050769705, This loan is repayable by repayment of EMI Rs. 1,79,274 with interest at the rate of 17%, The loan is repayable in balance 35 monthly instalments.	49.20	-
L & T Finance Limited - BL250222281897050, This loan is repayable by repayment of EMI Rs. 1,82,072 with interest at the rate of 18%, The loan is repayable in balance 36 monthly instalments.	50.25	-
Poonawala Fincorp Limited - APPL00562025, This loan is repayable by repayment of EMI Rs. 1,77,815 with interest at the rate of 15.5%, The loan is repayable in balance 36 monthly instalments.	50.93	-

There are no defaults on repayment of principal or payment of interest on borrowings.

**Note:-55(b) Terms of repayment and securities for current borrowings**

**₹ in Lakhs**

Particulars	As at 31 March 2025	As at 31 March 2024
i) Cash credit loan from Jammu and Kashmir Limited and interest payment according to the market rate.	572.20	379.95
ii) Loan from National small industrial corporation against bank. guarantee which carries interest rate of 10.75%	499.63	97.36
iii) Loan from Directors are interest free and repayable on demand.	3.30	7.24

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

**Note:-56 Capital Management**

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

The Company's capital management objectives are:

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

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



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

Particulars	₹ in Lakhs	
	As at 31 March 2025	As at 31 March 2024
Non-current borrowings	262.35	199.59
Current borrowings	1,231.76	655.12
Interest accrued but not due on borrowings	-	-
<b>Total Debt</b>	<b>1,494.11</b>	<b>854.71</b>
Less: Cash and bank balances	151.02	124.46
<b>Net debt</b>	<b>1,343.09</b>	<b>730.25</b>
Total equity	2,716.23	2,622.08
<b>Net debt to equity %</b>	<b>49.45%</b>	<b>27.85%</b>

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March, 2025 and 31 March, 2024.

**Note :- 57 Financial Instruments**

**(i) Categories of financial instruments**

Particulars	₹ in Lakhs	
	As at 31 March 2025	As at 31 March 202
<b>Financial assets</b>		
<b>Measured at amortised cost</b>		
(a) Cash and bank balances	151.02	124.46
(b) Trade receivables	3,769.74	2,070.37
(c) Loans	71.20	499.09
(d) Other financial assets	60.05	79.64
(e) Non-current investments	597.25	15.72
<b>Total</b>	<b>4,649.26</b>	<b>2,789.28</b>
<b>Total financial assets</b>	<b>4,649.26</b>	<b>2,789.28</b>

<b>Financial liabilities</b>		
<b>Measured at amortised cost</b>		
(a) Borrowings	1,494.11	854.71
(b) Trade payables	2,131.99	970.68
(c) Other financial liabilities	210.00	273.42
<b>Total</b>	<b>3,836.10</b>	<b>2,098.81</b>
<b>Total financial liabilities</b>	<b>3,836.10</b>	<b>2,098.81</b>

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

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

**(ii) Financial risk management**

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



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

**(iii) Market Risk**

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

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

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

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

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

Particulars	₹ in Lakhs	
	As at 31 March 2025	As at 31 March 2024
<b>Liabilities In USD</b>		
Trade Payable	1.16	2.62
<b>USD Total</b>	<b>1.16</b>	<b>2.62</b>

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

Particulars	₹ in Lakhs	
	As at 31 March 2025	As at 31 March 2024
<b>Assets In USD</b>		
Trade Receivable	8.61	10.21
<b>USD Total</b>	<b>8.61</b>	<b>10.21</b>

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

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

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

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





₹in Lakhs

Particulars	USD impact (net of tax)	
	As at 31 March 2025	As at 31 March 2024
Impact on profit or loss for the year	0.56	0.57
Impact on total equity as at the end of the reporting period	0.56	0.57

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

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

**(v) (b) Interest rate sensitivity analysis**

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

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's profit for the year ended 31 March 2025 would decrease/increase by ₹ 5.59 Lakhs net of tax (for the year ended 31 March 2024 decrease/increase by ₹ 3.20 Lakhs net of tax). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

**(vi) Other price risks**

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in equity instruments and mutual funds. The Company does not have investment in equity instruments, other than investments in subsidiary which are held for strategic rather than trading purposes. The Company does not actively trade these investments. The Company's investment in mutual funds are in debt funds. Hence the Company's exposure to equity price risk is minimal.

**(vii) Credit risk management**

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

**(a) Trade receivables**

Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. The Company considers such amounts as due only on completion of related milestones. Accordingly, risk of recovery of such amounts is mitigated. All trade receivables are reviewed and assessed for default at each reporting period.

For trade receivables, as a practical expedient, the Company computes credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. The provision matrix at the end of the reporting period is as follows and during the year the Company has changed the provision matrix considering the long term outstanding and credit risk.

Ageing	Expected credit loss (%)	
	2024-25	2023-24
0-1 Year	1%	1%
1-2 Year	10%	10%
2-3 Year	15%	15%
3-5 Year	25%	25%
Above 5 Year	100%	100%



### Age of receivables

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
0-1 Year	1,711.06	1,099.65
1-2 Year	145.07	100.46
2-3 Year	33.04	23.22
3-5 Year	140.19	294.17
Above 5 Year	198.10	138.10
<b>Gross trade receivables</b>	<b>2,227.46</b>	<b>1,655.60</b>

\* Expected credit loss (ECL) is not calculated for Balance outstanding with Related party and government debtors.

### Movement in the expected credit loss allowance:

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Balance at beginning of the year	236.17	-
Movement in expected credit loss allowance-further allowance	33.55	236.17
Movement in expected credit loss allowance-Amount written off	-	-
<b>Balance at end of the year</b>	<b>269.72</b>	<b>236.17</b>

### b) Loans and Receivables

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

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

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

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

### Movement in the expected credit loss allowance on Loans and other receivables:

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Balance at beginning of the year	-	-
Movement in expected credit loss allowance-further allowance	253.62	-
Movement in expected credit loss allowance-Amount written off	-	-
<b>Balance at end of the year</b>	<b>253.62</b>	<b>-</b>

### c) Other financial assets

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

### Liquidity Risk Management

Ultimate responsibility for liquidity risk management rests with the committee of board of directors of the Company, which has established an appropriate liquidity risk management framework for the management of



the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

#### Liquidity and interest risk tables

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

Particulars	₹ in Lakhs			
	Less than 1 year	1 to 5 years	5 years and above	Total
<b>As at 31 March 2025</b>				
Borrowings	1,231.76	262.35	-	1,494.11
Trade payables	2,131.99	-	-	2,131.99
Other financial liabilities	208.51	1.49	-	210.00
<b>Total</b>	<b>3,572.26</b>	<b>263.84</b>	<b>-</b>	<b>3,836.10</b>
<b>As at 31 March 2024</b>				
Borrowings	655.12	199.59	-	854.71
Trade payables	970.68	-	-	970.68
Other financial liabilities	263.71	9.71	-	273.42
<b>Total</b>	<b>1,889.51</b>	<b>209.30</b>	<b>-</b>	<b>2,098.81</b>

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

Financial assets / (Financial Liabilities)	Fair Value as at		Fair Value Hierarchy	Valuation Technique(s) & key inputs used	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	31 March 2025	31 March 2024				
					NA	NA

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

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

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



**Note :-58 Trade Receivable Ageing**

**Trade receivable ageing schedule As at 31 March 2025**

**₹ in Lakhs**

Particulars	Outstanding for following periods from due date of payment / date of transaction						Total
	Not Due	Less than 6 months	6 months - 1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) Undisputed Trade receivable considered good	1,688.04	944.17	515.18	149.74	2.13	385.72	<b>3,684.98</b>
(ii) Undisputed Trade receivable -which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivable -credit impaired	-	-	-	-	-	33.55	<b>33.55</b>
(iv) Disputed Trade receivable considered good	-	-	-	-	-	84.75	<b>84.75</b>
(v) Disputed Trade receivable -which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivable -credit impaired	-	-	-	-	-	-	-

**Trade receivable ageing schedule As at 31 March 2024**

**₹ in Lakhs**

Particulars	Outstanding for following periods from due date of payment / date of transaction						Total
	Not Due	Less than 6 months	6 months - 1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) Undisputed Trade receivable considered good	1,023.10	249.48	57.39	76.71	31.39	547.55	<b>1,985.62</b>
(ii) Undisputed Trade receivable -which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivable -credit impaired	-	-	-	-	-	236.17	<b>236.17</b>
(iv) Disputed Trade receivable considered good	-	-	-	-	-	84.75	<b>84.75</b>
(v) Disputed Trade receivable -which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivable -credit impaired	-	-	-	-	-	-	-

**Note :-59(a) Trade Receivable Ageing**

**Trade receivable ageing schedule As at 31 March 2025**

**₹ in Lakhs**

Particulars	Outstanding for following periods from due date of payment / date of transaction				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) MESE (Micro enterprises and small enterprises)	29.52	-	-	-	<b>29.52</b>
(ii) Others	1,423.52	219.65	183.05	276.25	<b>2,102.47</b>
(iii) Disputed dues-MESE	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-



**Trade receivable ageing schedule As at 31 March 2024**

**₹ in Lakhs**

Particulars	Outstanding for following periods from due date of payment / date of transaction				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) MESE	0.44	-	-	-	<b>0.44</b>
(ii) Others	472.19	195.20	81.90	220.95	<b>970.24</b>
(iii) Disputed dues-MESE	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-

**Note:-59(b) The particulars of dues to Micro and Small Enterprises under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act):**

**₹ in Lakhs**

Particulars	2024-25	2023-24
Principal amount due to suppliers under MSMED Act at the year end	29.52	0.44
Interest accrued and due to suppliers under MSMED Act on the above amount, unpaid at the year end	1.17	-
Payment made to suppliers (other than interest) beyond the appointed date during the year	-	-
Interest paid to suppliers under section 16 of MSMED Act during the year	-	-
Interest due and payable to suppliers under MSMED Act for payments already made	-	-
Interest accrued and not paid to suppliers under MSMED Act up to the year end	-	-



**Note:-60 Ratios**

Ratios	Numerator	Denominator	As at 31 March 2025	As at 31 March 2024	Variance %	Reason
Current ratio	Current assets	Current liabilities	1.35	1.78	-42.8%	Increase in trade payables and trade receivable in last quarter as there is increase in turnover in last quarter
Debt equity ratio	Total debt	Shareholder's equity	0.55	0.33	22.4%	Not Applicable
Debt service coverage ratio (DSCR)	Earning available for debt services	Total interest and principle repayments	0.94	1.15	-20.4%	Not Applicable
Return on equity ratio	Net profit after tax	Average shareholder's equity	0.03	0.08	-5.0%	Not Applicable
Inventory turnover ratio	Cost of materials consumed	Average inventory	6.46	6.40	6.0%	Not Applicable
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	2.72	3.21	-48.08%	Increase in turnover in last quarter
Trade payables turnover ratio	Purchases	Average trade payables	3.81	7.72	-391.0%	increase in purchase
Net capital turnover ratio	Revenue from operations	Net working capital	5.25	3.67	157.5%	Increase in turnover in last quarter
Net profit ratio	Net profit	Revenue from operations	0.01	0.03	-1.6%	Not Applicable
Return on capital employed	Earning before interest and taxes	Capital employed <sup>(2)</sup>	0.15	0.23	-7.8%	Not Applicable
Return on investment	Net profit	Net worth	0.03	0.08	-5.0%	Not Applicable

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

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

**Note:-61 Corporate Social Responsibility (CSR)**

The provision for CSR is not applicable to the company and accordingly no amount has been spent on any CSR activity during the year.

**Note:-62 Other statutory information's:**

- The company does not have any transaction with the companies struck off under Section 248 of the Companies Act 2013 or Section 560 of the Companies Act 1956 during the year ended 31 March 2025 and 31 March 2024.
- There are no charges or satisfaction which are to be registered with the registrar of companies during the year ended 31 March 2025 and 31 March 2024.
- The Company complies with the number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction on number of layers) rules 2017 during the year ended 31 March 2025 and 31 March 2024.
- The Company has not invested or traded in cryptocurrency or virtual currency during the year ended 31 March 2025 and 31 March 2024.
- No proceedings have been initiated on or are pending against the company for holding Benami property under the Prohibition of Benami Property Transaction Act 1988 (as amended in 2016) (formally the Benami Transactions



(Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder during the year ended 31 March 2025 and 31 March 2024.

- (vi) The Company has not been declared a wilful defaulter by any bank or financial institution or government or any government authorities during the year ended 31 March 2025 and 31 March 2024.
- (vii) The Company has not entered into any scheme of arrangement approved by the competent authority in terms of sections 232 to 237 of the Companies Act 2013 during the year ended 31 March 2025 and 31 March 2024.
- (viii) During the year ended 31 March 2025 and 31 March 2024, the Company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act 1961).
- (ix) During the year ended 31 March 2025 and 31 March 2024, the Company has not advanced or loaned or invested funds (either borrowed funds or the share premium or kind of funds) to any other person or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall:
  - a. directly or indirectly land or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
  - b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (x) During the year ended 31 March 2025 and 31 March 2024, the Company has not received any funds from any persons or entities including foreign entities (Funding party) with the understanding (whether recorded in writing or otherwise) that the company shall :
  - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or"
  - b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- (xi) The Company does not have any transaction which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (xii) Quarterly returns or statements of the current assets filed by the Company with banks or financial institutions are in agreement with books of accounts.

**Note:-63 Events after the reporting period**

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

**Note:-64 Previous year comparatives**

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

As per our Report of even date attached

**For R D V & Associates**  
**Chartered Accountants**  
(ICAI Firm Reg. No: 006128C)

**Vaibhav Goel**  
(Partner)  
Membership No. 0547918

Date : 28/05/2025  
Place: New Delhi

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

**Rajinder Kaul**  
Managing Director  
DIN - 01609805

**Garvita Asati**  
Chief Financial Officer

**Sanjay Verma**  
Executive Director  
DIN-08139841

**Pushpa Yadav**  
Company Secretary



**INDEPENDENT AUDITOR'S REPORT  
TO THE BOARD OF DIRECTORS OF SHARIKA ENTERPRISES LIMITED  
Report on the Audit of the Consolidated Financial Results**

**Opinion**

We have audited the accompanying consolidated financial statements of Sharika Enterprises Limited (the "Company") and its subsidiaries (the Company and its subsidiaries together referred to as the "Group"), which comprise the consolidated Balance Sheet as at 31 March 2025, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year ended on that date, and notes to the consolidated financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements, give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2025 and their consolidated loss, their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

**Basis for opinion**

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

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matter
<b>Revenue recognition for long term Construction contracts (as described in note 2.4 and 29 of the consolidated financial statements)</b>	
The Group's significant portion of business is undertaken through long term construction contracts which are in nature of engineering, procurement and construction basis.	Our audit procedures included but were not limited to: <ul style="list-style-type: none"><li>Read the Group's revenue recognition accounting policy and assessed compliance of the policy in terms of Ind AS 115 - Revenue from Contracts with Customers</li></ul>





<p>Revenue from these contracts, where the performance obligation is satisfied over time, is recognised in proportion to the stage of completion of the contract. The stage of completion is assessed by reference to survey of work performed.</p> <p>Revenue recognition from these contracts involves significant degree of judgments and estimation including identification of contractual obligations, the Group's rights to receive payments for performance obligation completed till date which includes measuring and recognition of contract assets, change of scope and determination of onerous obligations which include estimation of contract costs.</p> <p>Revenue recognition is significant to the consolidated financial statements based on the quantitative materiality and nature of construction contracts involves significant judgements as explained above. Accordingly, we considered this as a key audit matter.</p>	<ul style="list-style-type: none"> <li>• Obtained an understanding of the Group's processes and controls for revenue recognition process, evaluated the design, and tested the operating effectiveness of the controls over revenue recognition</li> <li>• Performed test of details, on a sample basis, and read the underlying customer contracts for terms and conditions, verified underlying supporting used in the determination of stage of completion and other relevant supporting documents such as joint measurement certificate / measurement book from independent engineers of the customer or authorized representative of customer, correspondence with customer etc.</li> <li>• Performed analytical audit procedures for analysing project profitability over a period including for identification of low or negative margin project. Assess the level of provisioning required, if any for any loss/negative margin projects including for onerous obligations.</li> <li>• Assessed the relevant disclosures made by the Group in accordance with Ind AS 115.</li> </ul> <p>Based on our work as stated above, no significant deviations were observed.</p>
<p><b>Valuation of trade receivables in view of the risk of credit losses (as described in note 2.15 and 11 of the consolidated financial statement)</b></p>	
<p>Trade receivables is a significant item in the Group's consolidated financial statements as at 31 March 2025 and assumptions used for estimating the credit loss on receivables is an area which is determined by management's judgment.</p> <p>The Group makes an assessment of the estimated credit losses on trade receivables based on credit risk, project status, past history, latest discussion/correspondence with the customer. Given the significance of these receivables in the consolidated financial statements as at 31 March 2025, we determined this to be a key audit matter.</p>	<p>Our audit procedures included but were not limited to:</p> <ul style="list-style-type: none"> <li>• Assessed the Group's processes and controls for monitoring trade receivables and reviewing ageing reports to identify collection risks.</li> <li>• Discussed material overdue balances with management and inquiring about their collectability.</li> <li>• Verified subsequent receipts from customers after year-end.</li> <li>• Verified assumptions used for impairment assessment through analysis of ageing, material overdue balances, and specific credit risk indicators.</li> <li>• Assessed the reasonableness of the allowance for doubtful debts.</li> </ul> <p>Based on our work as stated above, no significant deviations were observed.</p>
<p><b>Impairment assessment of loan given (as described in note 2.15 and 13 of the consolidated financial statement)</b></p>	
<p>The Group has significant amounts of loans given as Inter corporate deposit. These loans are carried at cost less impairment in the consolidated financial statements. As per Ind AS 36 <i>Impairment of Assets</i>, the Group is required to assess at each reporting date whether there is any indication of impairment in respect of such loans.</p> <p>The assessment of impairment involves significant judgment and estimation, including evaluation of business plans, projected future cash flows, discount rates, growth assumptions, and the timing of realization of these cash flows. Given the materiality of the balances and the degree of subjectivity in assumptions, this was considered a key audit matter.</p>	<ul style="list-style-type: none"> <li>• Obtained an understanding of the Group's process for impairment assessment of loans given.</li> <li>• Reviewed management's assessment of indicators of impairment.</li> <li>• Reviewed the adequacy and appropriateness of allowance for credit losses based on available information and evaluating management's assessment of the recoverability.</li> </ul>



	<ul style="list-style-type: none"><li>• Verified disclosures made in the consolidated financial statements in accordance with the requirements of Ind AS 36.</li></ul> <p>Based on our work as stated above, no significant deviations were observed.</p>
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### **Information Other than the Consolidated Financial Statements and Auditor's Report Thereon**

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

### **Responsibilities of Management and Board of Directors for the Consolidated Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Boards of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Boards of Directors of the entities included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intends to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors of the entities included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit



conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes pub-



lic disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

- a) The comparative consolidated financial statements of the Company for the year ended 31 March 2024 was audited by predecessor auditor who had expressed an unmodified opinion on those consolidated financial statements on 27 May 2024. Our opinion on the consolidated financial statements is not modified in respect of this matter.
- b) The consolidated financial statements include the unaudited financial statements of a subsidiary, reflecting total assets of Rs. 307.32 lakhs, total revenue of Rs. 270.94 lakhs, net loss after tax of Rs. 33.48 lakhs, and net cash inflows of Rs. 0.23 lakhs (all before consolidation adjustments) for the year ended 31 March 2025. These financial statements, furnished to us by the Board of Directors, have been relied upon by us for the purpose of consolidation. Based on the information and explanations provided, we are of the view that the said subsidiary is not material to the Group. Our opinion on the consolidated financial statements is not modified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

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

- i. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- ii. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Group, including relevant records so far as it appears from our examination of those books.
- iii. The consolidated balance sheet, the consolidated statement of profit and loss including Other comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- iv. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- v. On the basis of the written representations received from the directors of the Holding Company on record by the Board of Directors of the Holding Company and on the basis of written representations received by the management from directors of its subsidiaries which are incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.
- vi. With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to consolidated financial statements.
- vii. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- viii. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our



information and according to the explanations given to us:

- i) The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements. Refer Note 43 to the consolidated financial statements.
- ii) The group has made provision as required under applicable law or accounting standards for material foreseeable losses. The Company did not have any long-term derivative contracts.
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies incorporated in India.
- iv) (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, outside the Group, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v) The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
- vi) Based on our examination, which included test checks performed by us on the Company and its subsidiaries incorporated in India, except for the Property, plant and equipment and Payroll records, the Company has used accounting software system for maintaining its books of account for the financial year ended 31 March 2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

Further, for the periods where audit trail (edit log) facility was enabled and operated for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company and above referred subsidiary companies incorporated in India as per the statutory requirements for record retention.

The financial statements of the subsidiary, Contronics Switchgear India Private Limited, which are not material to the consolidated financial statements of the Group, have not been audited under



the provisions of the Act as of the date of this report. Accordingly, we are unable to comment on the reporting requirements under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 in respect of the said subsidiary.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order" / "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the Auditor's Reports on the financial statements of Company and its subsidiaries as at and for the year ended 31 March 2025, included in the Consolidated financial statements of the Group, we report in respect of those companies where audits have been completed under section 143 of the Act, we have not reported any qualifications or adverse remarks.

In respect of the subsidiary company, Contronics Switchgear India Private Limited, included in the consolidated financial statements of the Company, whose audit under section 143 of the Act has not yet been completed, the CARO report applicable to this subsidiary is not available.

**For R D V & ASSOCIATES**

Chartered Accountants

FRN: 006128C

**Vaibhav Goel**

**Partner**

M. No.547918

UDIN: 25547918BMKYIQ4262

Date: May 28, 2025

Place: Delhi



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

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

### **Report on the Internal Financial Controls with reference to Consolidated financial statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2025, we have audited the internal financial controls with reference to consolidated financial statements of Sharika Enterprises Limited (hereinafter referred to as the "Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

#### **Management's and Board of Directors' Responsibility for Internal Financial Controls**

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

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI") and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to Consolidated financial statements of the Company and its subsidiary companies, which are companies incorporated in India.

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

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consoli-





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

#### **Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements**

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

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31 March 2025, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For R D V & ASSOCIATES**

Chartered Accountants

FRN: 006128C

**Vaibhav Goel**

**Partner**

M. No.547918

UDIN: 25547918BMKYIQ4262

Date: May 28, 2025

Place: Delhi





## Consolidated Balance Sheet as at 31 March 2025

₹ in Lakhs

Particulars	Note No.	As at 31 March 2025	As at 31 March 2024
<b>ASSETS</b>			
<b>Non current assets</b>			
(a) Property, plant and equipments	3	452.62	425.08
(b) Goodwill	4	20.75	-
(c) Right of Use	5	7.94	22.55
(d) Financial assets			
(i) Other financial assets	6	103.08	28.92
(e) Deferred tax assets (net)	7	153.29	130.98
(f) Other non-current assets	8	400.54	201.68
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,138.22</b>	<b>809.21</b>
<b>CURRENT ASSETS</b>			
(a) Inventories	9	1,036.50	1,170.91
(b) Contract Assets	10	487.29	325.00
(c) Financial assets			
(i) Trade receivables	11	3,759.33	2,138.02
(ii) Cash and cash equivalents	12	23.14	42.17
(iii) Bank balances other than (ii) above		138.24	85.96
(iv) Loans	13	-	263.62
(v) Other financial assets	14	60.05	82.01
(d) Current tax assets	15	45.01	30.72
(e) Other current assets	16	428.53	619.28
<b>TOTAL CURRENT ASSETS</b>		<b>5,978.09</b>	<b>4,757.69</b>
<b>TOTAL ASSETS</b>		<b>7,116.31</b>	<b>5,566.90</b>
(II) EQUITY			
(a) Equity Share Capital	17	2,165.00	2,165.00
(b) Other Equity	18	31.19	355.56 (c)
Minority Interest		7.22	(0.00)
<b>TOTAL EQUITY</b>		<b>2,203.41</b>	<b>2,520.56</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	19	308.73	239.73
(ii) Lease Liability	20	1.49	9.71
(b) Long Term Provisions	21	70.11	52.73
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>380.33</b>	<b>302.17</b>
<b>CURRENT LIABILITIES</b>			
(a) Financial liabilities			
(i) Borrowings	22	1,266.90	662.62
(ii) Lease Liability	23	8.22	15.67
(iii) Trade payables			
(A) Total outstanding dues of micro enterprises and small enterprises	24	29.52	0.44
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,247.47	974.38
(iv) Other financial liabilities	25	261.20	249.76
(b) Other current liabilities	26	713.18	831.06
(c) Short Term Provisions	27	2.52	1.98
(d) Current tax liabilities	28	3.56	8.26
<b>TOTAL CURRENT LIABILITIES</b>		<b>4,532.57</b>	<b>2,744.17</b>
<b>TOTAL LIABILITIES</b>		<b>4,912.90</b>	<b>3,046.34</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>7,116.31</b>	<b>5,566.90</b>

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

As per our Report of even date attached

**For R D V & Associates**  
**Chartered Accountants**  
(ICAI Firm Reg. No: 006128C)

**Vaibhav Goel**  
(Partner)  
Membership No. 547918

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

**Rajinder Kaul**  
Managing Director  
DIN - 01609805

**Sanjay Verma**  
Executive Director  
DIN-08139841

**Garvita Asati**  
Chief Financial Officer

**Pushpa Yadav**  
Company Secretary

Date : 28/05/2025  
Place : Noida



Consolidated Statement of Profit And Loss for the year ended 31 March 2025

₹ in Lakhs

Particulars	Note No.	Year Ended 31 March 2025	Year Ended 31 March 2024
<b>INCOME:</b>			
I Revenue From Operations	29	8,171.10	7,842.43
II Other Income	30	41.49	190.74
III Total Income (I+II)		<b>8,212.59</b>	<b>8,033.17</b>
<b>EXPENSES</b>			
(a) Cost of materials consumed	31	6,428.38	6,362.88
(b) Sub-contracting charges	32	423.06	199.05
(c) Changes in inventories of finished goods and Stock-in-trade	33	7.27	13.35
(d) Employee benefit expenses	34	527.84	446.22
(e) Finance costs	35	177.92	137.36
(f) Depreciation and amortisation expenses	36	70.25	74.68
(g) Other expenses	37	592.38	695.93
IV Total expenses		<b>8,227.10</b>	<b>7,929.47</b>
V Profit / (loss) before share of profit / (loss) of joint ventures and associate and tax		<b>(14.51)</b>	<b>103.70</b>
Share of profit / (loss) of joint ventures and associate (net)			
Profit before exceptional items and tax		<b>(14.51)</b>	<b>103.70</b>
VI Exceptional Items	38	(44.96)	-
VII Profit / (Loss) before Tax (V-VI)		<b>(59.47)</b>	<b>103.70</b>
VIII Tax expenses :			
(i) Current tax	39	-	4.70
(ii) Deferred tax		(18.59)	(54.43)
(iii) Taxation pertaining to earlier years		(4.70)	-
Total Tax Expense		<b>(23.29)</b>	<b>(49.73)</b>
IX Profit / (Loss) after tax (VII-VIII)		(36.18)	153.43
X Other Comprehensive Income / (loss)			
Items that will not be reclassified to profit or loss			
(i) Re-measurement gains on Defined Benefit Plans		(4.06)	(5.17)
(ii) Less: Tax effect on Re-measurement of Defined Benefit Plans		1.02	1.30
Other Comprehensive Income / (loss) (net of tax) (i+ii)		<b>(3.04)</b>	<b>(3.87)</b>
XI Total comprehensive Income / (Loss) for the year (IX+X)		<b>(39.22)</b>	<b>149.56</b>
Profit / (Loss) for the year attributable to :			
Owners of the Company		(22.79)	153.43
Non-Controlling interest		(13.39)	(0.00)
		<b>(36.18)</b>	<b>153.43</b>
XII Other Comprehensive Income / (Loss) for the year attributable to :			
Owners of the Company		(3.04)	(3.87)
Non-Controlling interest		-	-
		<b>(3.04)</b>	<b>(3.87)</b>
XIII Total Other Comprehensive Income / (Loss) for the year attributable to :			
Owners of the Company		(25.83)	149.56
Non-Controlling interest		(13.39)	(0.00)
		<b>(39.22)</b>	<b>149.56</b>
XII Earnings per equity share Rs. (Face Value of Rs 5/- each)	40		
(i) Basic		(0.05)	0.35
(ii) Diluted		(0.05)	0.35

The accompanying notes form an integral part of the consolidated financial statements.  
As per our Report of even date attached

**For R D V & Associates**  
**Chartered Accountants**  
(ICAI Firm Reg. No: 006128C)

**Vaibhav Goel**  
(Partner)  
Membership No. 547918

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

**Rajinder Kaul**  
Managing Director  
DIN - 01609805

**Sanjay Verma**  
Executive Director  
DIN-08139841

**Garvita Asati**  
Chief Financial Officer

**Pushpa Yadav**  
Company Secretary

Date : 28/05/2025  
Place : Noida



**Consolidated Cash Flow Statement for the year ended 31 March 2025**

₹ in Lakhs

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
<b>A. Cash Flow from Operating Activities</b>		
<b>Profit / (Loss) for the year before tax</b>	(59.47)	103.70
Non cash / non operating adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortisation expenses	70.25	74.68
Finance Cost	177.92	134.31
Interest Received	(12.25)	(7.89)
Exchange Fluctuation	10.96	19.34
Expected Credit Loss	33.55	236.17
Profit on sale of property, plant and equipment	-	(155.91)
Reversal on provision for diminution on investment	(285.28)	-
Expected credit loss on other loans	253.62	-
Sundry balances written back	65.22	-
<b>Inventory Written off</b>	<b>16.59</b>	<b>-</b>
<b>Operating Profit Before Changes in Working Capital</b>	<b>271.10</b>	<b>404.40</b>
Adjustments for changes in Operating Assets & Liabilities:		
Decrease / (Increase) in Loans asset	-	18.93
Decrease / (Increase) in Inventories	289.47	(242.83)
Decrease / (Increase) in Current Assets	201.82	(169.57)
Decrease / (Increase) in Contract Assets	(162.29)	(113.32)
Decrease / (Increase) in Trade Receivables	(1,809.65)	487.88
Decrease / (Increase) in Other Financial Assets	(40.74)	(10.05)
Increase / (Decrease) in Trade Payables	1,285.60	43.60
Increase / (Decrease) in Lease Liability	(15.67)	(12.91)
Increase / (Decrease) in Other financial liabilities	(17.78)	(373.69)
Increase / (Decrease) in Other current liabilities	(148.68)	160.53
Increase / (Decrease) in Provisions	13.86	(8.04)
Cash Generated from Operations	(132.97)	184.92
Income Tax Paid (net of refunds)	(14.65)	(17.11)
<b>NET CASH INFLOW / OUTFLOW FROM OPERATING ACTIVITIES</b>	<b>(147.61)</b>	<b>167.80</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Sale Property, plant and equipments	-	475.00
Purchase of property, plant and equipments including CWIP	(279.45)	(172.32)
Investment in subsidiary	(30.00)	-
Interest Received	0.31	7.89
Redemption of fixed deposits	(50.23)	51.30
<b>NET CASH INFLOW / OUTFLOW FROM INVESTING ACTIVITIES</b>	<b>(359.37)</b>	<b>361.87</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Borrowings	(217.31)	(258.43)
Proceeds from Borrowings	268.53	-
Proceeds / (Repayment) from Current Borrowings (Net)	614.50	(119.74)
Finance Cost	(177.92)	(134.30)
<b>NET CASH INFLOW / OUTFLOW FINANCING ACTIVITIES</b>	<b>487.80</b>	<b>(512.47)</b>
<b>Net Increase In Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(19.18)</b>	<b>17.20</b>
Opening cash & cash equivalents	42.17	24.97
Adjustment on acquisition of subsidiary	0.15	-
<b>Closing cash &amp; cash equivalents</b>	<b>23.14</b>	<b>42.17</b>

**Notes:-** 1. The Statement of Cash flows has been prepared under the indirect method as set out in Ind AS - 7 specified under Section 133 of the Act.

2. Changes in liabilities arising from financing activities



Consolidated Statement of Cash Flow for the year ended 31 March 2025 (Contd.)

₹ in Lakhs

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Opening balance of loans	902.35	1,280.52
Cash Flows		
Repayments of loans	(217.31)	(378.17)
Proceeds from loans	883.03	-
Adjustment on acquisition of subsidiary acquisition	7.56	
Non-cash changes	-	-
Closing balance of loans	1,575.63	902.35

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

As per our report of even date attached

As per our Report of even date attached

**For R D V & Associates**  
**Chartered Accountants**  
(ICAI Firm Reg. No: 006128C)

**Vaibhav Goel**  
(Partner)  
Membership No. 547918

Date : 28/05/2025  
Place : Noida

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

**Rajinder Kaul**  
Managing Director  
DIN - 01609805

**Garvita Asati**  
Chief Financial Officer

**Sanjay Verma**  
Executive Director  
DIN-08139841

**Pushpa Yadav**  
Company Secretary



**Consolidated Statement of changes in equity for the year ended 31 March 2025**

**A. Equity share capital**

₹ in Lakhs

Particulars	Balance as at 31 March 2025	Balance as at 31 March 2024
Balance at the beginning of the current reporting period	2,165.00	2,165.00
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	2,165.00	2,165.00
Changes in equity share capital during the current year	-	-
<b>Balance at the end of the current reporting period</b>	<b>2,165.00</b>	<b>2,165.00</b>

**B. Other equity**

**General Reserve**

₹ in Lakhs

Particulars	Balance as at 31 March 2025	Balance as at 31 March 2024
Balance at beginning of year	10.00	10.00
Addition during the year	-	-
Deduction during the year	-	-
<b>As at end of the year</b>	<b>10.00</b>	<b>10.00</b>

**Surplus / Retained Earnings**

₹ in Lakhs

Particulars	Balance as at 31 March 2025	Balance as at 31 March 2024
Balance at beginning of year	345.56	195.99
Profit / (Loss) during the year	(22.79)	153.43
Other comprehensive income / (loss)	(3.04)	(3.86)
Reversal of impairment on investment in subsidiary	(285.27)	-
Other	(13.27)	-
<b>As at end of the year</b>	<b>21.19</b>	<b>345.56</b>



### Nature and purpose of Reserves

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

### Retained Earning :

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

### Non Contronlling Interests

₹ in Lakhs

Particulars	Balance as at 31 March 2025	Balance as at 31 March 2024
<b>Balance at beginning of year</b>	<b>(0.00)</b>	<b>-</b>
On account of consolidation	20.61	0.00
Profit / (Loss) during the year	(13.39)	(0.00)
Other comprehensive income / (loss)	-	-
<b>As at end of the year</b>	<b>7.22</b>	<b>(0.00)</b>

As per our Report of even date attached

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

**Dheeraj Wadhwa**  
(Partner)  
Membership No. 091143  
UDIN - 24091143BKENUU3383

Date : 27/05/2024  
Place : Noida

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

**Rajinder Kaul**  
Managing Director  
DIN - 01609805

**Garvita Asati**  
Chief Financial Officer

**Sanjay Verma**  
Executive Director  
DIN-08139841

**Saumya Jaiswal**  
Company Secretary



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**Note to Consolidated Statement for the year ended 31 March 2025**

**(A) Overview and Significant Accounting Policies**

**1. Corporate Information**

**Note :-1 Group Information**

Sharika Enterprises Limited ("the Company") is a public limited company incorporated in India on 06 March 2020 under the Companies Act, 2013. These Consolidated Financial Statements ("these CFS") relate to the Company and its subsidiary (collectively referred to as the "Group"). The group is primarily engaged in the business of Management Consultancy & Project Execution services primarily in the power sector for Indian and International Power Equipment Manufacturers. The group has added trading of Electrical items primarily comprising of LED lights and other related products and components. Its operations also include a composite range of activities comprising of engineering, procurement, construction and servicing etc of Power plants and equipments.

**Note :-2 Statement of compliance and basis of preparation and presentation**

**2.1 Statement of Compliance**

These CFS comply in all material aspects with the Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act.

**2.2 Basis of Preparation, presentation and measurement**

These CFS are presented in Indian Rupees (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest lakh, unless otherwise indicated. These CFS have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the significant accounting policies. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these CFS is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36. In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

These CFS have been prepared on accrual and going concern basis.

Any asset or liability is classified as current if it satisfies any of the following conditions:

- the asset/liability is expected to be realised/settled in the Group's normal operating cycle;
- the asset is intended for sale or consumption;
- the asset/liability is held primarily for the purpose of trading;
- the asset/liability is expected to be realised/settled within twelve months after the reporting period
- the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- in the case of a liability, the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current. For the purpose of current/non-current classification of assets and liabilities, the Group has ascertained its normal operating cycle as twelve months. This



is based on the nature of products and services and the time between the acquisition of assets or inventories for processing and their realisation in cash and cash equivalents.

These CFS were authorized for issue by the Group's Board of Directors on 28 May 2025.

## **Basis of Consolidation and Significant Accounting Policies**

### **2.3 Basis of consolidation**

These CFS incorporate the financial statements of the Holding Company and its subsidiaries. Control is achieved when the Company:

- (i) has power over the investee;
- (ii) is exposed, or has rights, to variable returns from its involvement with the investee; and
- (iii) has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of the subsidiaries of the Group to bring their accounting policies in line with the Group's accounting policies. All intra group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between subsidiaries of the Group are eliminated in full on consolidation.

#### **2.3.1 Changes in the Group's ownership interests in existing subsidiaries**

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interest and the non-controlling interests are adjusted to reflect the changes in their relative interest in the subsidiaries. Any difference between the amount that the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company. When the Group loses control of a subsidiary, gain or loss is recognised in profit or loss and is calculated as a difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when the control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109, or, when applicable, the cost on initial recognition of an investment in an associate or joint venture. For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods. On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

### **2.4 Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms or payment and excluding taxes or duties collected on behalf of the Government. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks. Sales tax/ value added tax (VAT)/Goods and Service Tax (GST) is not received





by the Group on its own account. Rather it is tax collected on value added to the commodity by the seller on behalf of the Government. Accordingly, it is excluded from revenue. The following specific recognition criteria must also be met before revenue is recognized:

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services.

The Group satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

- (i) The Group's performance does not create an asset with an alternate use to the Group and the Group has an enforceable right to payment for performance completed to date.
- (ii) The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- (iii) The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs. For performance obligations where one of the above conditions are not met, revenue is recognized at the point in time at which the performance obligation is satisfied.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. Revenue is recognized to the extent it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably. Taxes (Goods and Services Tax) collected on behalf of the government are excluded from Revenue. The transaction price of goods sold and services rendered is net of variable consideration on account returns, discounts, customer claims and rebates, etc.

Variable consideration includes volume discounts, price concessions, incentives, etc. The Group estimates the variable consideration with respect to above based on an analysis of accumulated historical experience. The variable consideration is adjusted as and when the expectation regarding the same changes. Revenue from Sale of Goods Performance obligation in case of Revenue from sale of goods is satisfied at a point in time and is recognized when control of goods is transferred to the customers. Generally, control is transferred upon shipment of goods to the customer or when the goods are made available to the customer, provided transfer of title to the customer occurs and the Group has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue from Turnkey Projects/Contracts Performance obligation in case of revenue from Turnkey Projects/Contracts is satisfied over the period of time, since the customer controls the assets as they are created and the Group has enforceable right to payment for performance completed to date. Revenue from Turnkey Projects/Contracts, where the outcome can be estimated reliably is recognised under the percentage of completion method by reference to the stage of completion of contract activity. The stage of completion is measured by input method i.e. the proportion that the cost incurred to date bear to the estimated total cost of a contract. The estimates of contract costs and the revenue thereon are reviewed periodically by the management and the cumulative effect of any changes in the estimates is recognised in the period in which such changes are determined. Where it is probable that contract expenses will exceed total revenue from a contract, the expected loss is recognised immediately as an expense in the Statement of Profit and Loss.

If contract revenue recognised is in excess of interim/progressive billing, the same is recognised as "contract asset" (unbilled revenue). Similarly, if interim/progressive billing exceeds contract revenue, the same is recognised as "contract liabilities" (excess billed over revenue). Amounts received before the related work is performed are disclosed in the Balance Sheet as "Mobilisation and Other Advances from Customers". The amounts billed to customers for work performed and are unconditionally due for payment i.e. only passage of time is required before payment falls due, are disclosed in the Balance Sheet as trade receivables. The amount of retention money receivable from project customers do not contain any significant financing element as these are retained by the customers for satisfactory performance of the underlying contracts.

Export benefits availed as per applicable policy/schemes are accrued each year in which the goods are exported and when no significant uncertainty exist regarding the ultimate collection.

Interest income is recognised on time proportion basis. Dividend income is recognised when the right to receive payment is established.

#### **Income from sales**

Sales are recognized on dispatch of goods and are accounted net of trade discount, returns and volume rebates, GST

#### **Income from services**

Revenue on account of service / consultancy and commission is recognized as and when services have been rendered



in terms of agreement.

#### **Interest**

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable

## **2.5 Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

### **2.5.1 The Group as lessee**

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease. The Group recognises a Right-of-use Asset and a lease liability at the lease commencement date. The Right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial costs incurred. The Right-of-use Asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate. Subsequently, lease liabilities are measured on amortised cost basis.

The Group has elected not to recognise Right-of-use Assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets and the corresponding lease rental paid are directly charged to the Statement of Profit and Loss.

#### **Group as a lessor**

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease.

## **2.6 Foreign currency transactions and translation**

The Group's financial statements are presented in INR, which is also the Group's functional currency.

- i. 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.
- ii. Foreign currency monetary items are reported using the closing rate.
- iii. Any gain or loss on account of exchange difference arising either on the settlement or on reinstatement of foreign currency monetary items is recognized as profit/loss, except exchange difference arising on long term foreign currency monetary items relating to acquisition of depreciable fixed assets, which is adjusted to the carrying amount of such assets. An asset shall be designated as long term foreign currency monetary item, if the asset or liability expressed in foreign currency and has a term of 12 months or more at the date of origination of the asset or liability.

## **2.7 Borrowing costs**

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 capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

## **2.8 Employee benefits**

### **2.8.1 Retirement benefit costs**

#### **Defined Contribution Plan**

Contribution to approved Superannuation Fund as per Group's scheme and Employees Recognised Provident Fund administered by Employees Provident Fund Organisation (EPFO), is recognised as an expense in the Statement of Profit and Loss for the year when the employee renders the related service.



## **Defined Benefit Plan**

Gratuity, Pension and Compensated Absences benefits, payable as per Group's schemes are considered as defined benefit schemes and are charged to Statement of Profit and Loss on the basis of actuarial valuation carried out at the end of each financial year by independent actuaries using Projected Unit Credit Method. For the purpose of presentation of defined benefit plans, the allocation between short term and long term provisions is made as determined by the independent actuaries. Actuarial gains and losses are recognised in the Other Comprehensive Income"

Ex-gratia or other amount disbursed on account of selective employees separation scheme or otherwise are charged to Statement of Profit and Loss as and when incurred/determined.

## **2.9 Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

### **2.9.1 Current tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### **2.9.1 Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

**Deferred tax liabilities are recognised for all taxable temporary differences.**

Deferred tax assets are recognised for all deductible temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

## **2.10 Property, plant and equipment**

An item of property, plant and equipment (PPE) that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, PPE are carried at cost, as reduced by accumulated depreciation and impairment losses, if any.

The Group identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

Cost comprises of purchase price / cost of construction, including non-refundable taxes or levies and any expenses attributable to bring the PPE to its working condition for its intended use. Project pre-operative expenses and expenditure incurred during construction period are capitalized to various eligible PPE. Borrowing costs directly attributable to acquisition or construction of qualifying PPE are capitalised.



Spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of property, plant and equipment outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

Depreciation is recognised so as to write off the cost of PPE (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The useful lives prescribed in Schedule II to the Companies Act, 2013 are considered as the minimum lives. If the management's estimate of the useful life of property, plant and equipment at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/remaining useful life. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

PPE are depreciated over its estimated useful lives, determined as under:

- Freehold land is not depreciated.
- On other items of PPE, on the basis of useful life as per Part C of Schedule II to the Companies Act, 2013.

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

## 2.11 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and impairment losses, on the same basis as intangible assets as above.

An intangible asset is derecognised upon disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Estimated useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

- |                      |         |
|----------------------|---------|
| • Operating software | 3 years |
| • Other software     | 6 years |

## 2.12 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets (other than goodwill) to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 for which the estimates of future cash flows have not been adjusted. If it is not possible to measure fair value less cost of disposal because there is no basis for making a reliable estimate of the price at which an orderly transaction to sell the asset would take place between market participants at the measurement dates under market conditions, the asset's value in use is used as recoverable amount. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss. When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

### 2.13 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

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

Provision for obsolescence on inventories is made wherever technically considered necessary by the management.

### 2.14 Provisions and contingencies

The Group recognises a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and reliable estimates can be made of the amount of obligation. The provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change. A disclosure of contingent liability is made when there is possible obligation or a present obligation that will probably not require outflow of resources or where a reliable estimate of the obligation cannot be made. Where there is a possible obligation or a present obligation and likelihood of outflow of resources is remote, no provision or disclosure is made.

Provision for warranty related costs are recognised when the terms and conditions attached to and forming part of the executed portion of the contract of sale of products and/or providing of services or both are assessed to have underlying obligations to be met during the warranty period. The estimate of such warranty costs is revised annually.

Contingent assets are not recognised but disclosed in the financial statements, where economic inflow is probable.

### 2.15 Financial instruments

Financial assets and financial liabilities are recognised when a group becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

#### 2.15.1 Financial assets

##### a) Initial recognition and measurement:

Financial assets are recognised when a group becomes a party to the contractual provisions of the instrument. On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the financial asset.



**b) Effective interest method:**

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the 'Other income' line item.

**c) Subsequent measurement:**

**For subsequent measurement, the Group classifies a financial asset in accordance with the below criteria:**

- i. The Group's business model for managing the financial asset and
- ii. The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Group classifies its financial assets into the following categories:

**i. Financial assets measured at amortized cost:**

**A financial asset is measured at the amortized cost if both the following conditions are met:**

- a) The Group's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category applies to cash and bank balances, trade receivables, loans, other financial assets and certain investments of the Group. Such financial assets are subsequently measured at amortized cost using the effective interest method. The amortized cost of a financial asset is also adjusted for loss allowance, if any.

**ii. Financial assets measured at FVTOCI:**

A financial asset is measured at FVTOCI if both of the following conditions are met:

- a) The Group's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investments in equity instruments, classified under financial assets, are initially measured at fair value. The Group may, on initial recognition, irrevocably elect to measure the same either at FVTOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument are recognised as other income in the Statement of Profit and Loss unless the Group has elected to measure such instrument at FVTOCI. The Group does not have any financial assets in this category.

**iii. Financial assets measured at FVTPL:**

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. This is a residual category applied to all other investments of the Group. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

**d) Foreign exchange gains and losses**

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.

**e) Derecognition:**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e. removed from the Group's Balance Sheet) when any of the following occurs:



- i. The contractual rights to cash flows from the financial asset expires;
- ii. The Group transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
- iii. The Group retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- iv. The Group neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.

In cases where Group has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Group continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Group also recognizes an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

#### **B] Financial liabilities and equity instruments**

Debt and equity instruments issued by a Group member are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

##### **i. Equity instruments:-**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group member are recognised at the proceeds received, net of direct issue costs. Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

##### **ii. Financial liabilities:-**

###### **a) Initial recognition and measurement:**

Financial liabilities are recognised when a Group member becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

###### **b) Subsequent measurement:**

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss. The Group has not designated any financial liability as at FVTPL other than derivative instrument.

###### **c) Derecognition of financial liabilities:**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Statement of Profit and Loss.

#### **2.16 Earnings Per Share**

Basic earnings per share is computed by dividing the net profit for the year attributable to the equity shareholders of the Group by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.





Notes to the Consolidated Financial statements for year ended 31 March 2025

Note:-3 : Property, plant & equipment

Particulars	Land	Building	Plant and Machinery	Furniture & Fixture	Motor Vehicles	Office Equipment	Computers and data processing units	Books & Periodicals	Tools and Equipment	Total
					<b>Cost</b>					
<b>At 31 March 2023</b>	136.30	223.15	75.73	4.19	54.17	2.80	9.21	-	3.63	509.20
Additions	-	389.66	-	19.22	1.37	4.32	3.17	-	-	417.74
Disposals	136.30	223.17	-	3.92	-	-	-	-	-	363.39
<b>At 31 March 2024</b>	-	389.64	75.73	19.49	55.54	7.12	12.38	-	3.63	563.54
Additions	-	8.90	1.30	0.35	54.94	2.91	8.82	1.20	4.74	83.16
Disposals	-	-	-	-	-	-	-	-	-	-
<b>At 31 March 2025</b>	-	398.54	77.03	19.84	110.48	10.03	21.20	1.20	8.37	646.70
					<b>Depreciation and Impairment</b>					
<b>At 31 March 2023</b>	-	40.65	30.13	-	39.90	2.54	6.78	-	1.32	122.73
Depreciation for the Year	-	29.28	19.46	1.40	4.61	1.21	0.95	-	1.03	60.05
Disposals	-	42.93	-	3.51	-	-	-	-	-	44.32
<b>At 31 March 2024</b>	-	27.00	49.59	3.52	44.51	3.75	7.73	-	2.35	138.46
Depreciation for the Year	-	34.92	5.53	4.22	4.10	2.54	2.96	0.31	1.05	55.63
Disposals	-	-	-	-	-	-	-	-	-	-
<b>At 31 March 2025</b>	-	61.92	55.13	7.74	48.61	6.29	10.69	0.31	3.40	194.09
					<b>Net Book Value</b>					
<b>At 31 March 2025</b>	-	336.62	21.90	12.10	61.88	3.74	10.51	0.89	4.98	452.62
<b>At 31 March 2024</b>	-	362.64	26.14	15.97	11.03	3.38	4.65	-	1.28	425.08

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

Particulars	31 March 2025	31 March 2024
<b>Carrying amounts of:</b>		
Building	336.62	362.64
Vehicle	61.88	11.03
<b>Total</b>	<b>336.62</b>	<b>362.64</b>

**Note:-**

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





**Note : 4 Intangible Assets**

₹ in Lakhs		
Particulars	Goodwill	Total
<b>Cost</b>		
<b>At 31 March 2023</b>	-	-
Additions	-	-
Disposals	-	-
<b>At 31 March 2024</b>	-	-
Additions	20.75	20.75
Disposals	-	-
<b>At 31 March 2025</b>	20.75	20.75
<b>Depreciation and Impairment</b>		
<b>At 31 March 2023</b>	-	-
Depreciation for the Year	-	-
Disposals	-	-
<b>At 31 March 2024</b>	-	-
Depreciation for the Year	-	-
Disposals	-	-
<b>At 31 March 2025</b>	-	-
<b>Net Book Value</b>		
<b>At 31 March 2025</b>	20.75	20.75
<b>At 31 March 2024</b>	-	-

**Note:-5 Right of use of assets** ₹ in Lakhs

Particulars	Building	Total
<b>Gross Block</b>		
<b>As at 31 March 2023</b>	43.84	43.84
Add: Additions	-	-
Less: Disposals/adjustments	-	-
<b>As at 31 March 2024</b>	43.84	43.84
Add: Additions	-	-
Less: Disposals/adjustments	-	-
<b>As at 31 March 2025</b>	43.84	43.84
<b>Accumulated depreciation</b>		
<b>As at 31 March 2023</b>	6.68	6.68
Charge for the period	14.61	14.61
Less: Disposals/adjustments	-	-
<b>As at 31 March 2024</b>	21.29	21.29
Charge for the period	14.61	14.61
Less: Disposals/adjustments	-	-
<b>As at 31 March 2025</b>	35.90	35.90
<b>Net carrying amount</b>		
<b>As at 31 March 2024</b>	22.55	22.55
<b>As at 31 March 2025</b>	7.94	7.94



**Note: 6 Other financial assets - non current**

₹ in Lakhs

Particulars	As at 31 March, 2025	As a 31 March 2024
Bank deposits with more than 12 months maturity	93.11	24.12
Security deposits	9.97	4.80
<b>Total</b>	<b>103.08</b>	<b>28.92</b>

Note:- Bank deposits are provided as margin money against bank guarantees provided by the Group to its customers. **Note:**

**Note: 7 : Deferred tax assets**

₹ in Lakhs

Particulars	As at 31 March, 2025	As a 31 March 2024
Property, plant and equipments, Intangible assets and right of use assets	107.67	52.67
Lease Liabilities	2.44	6.39
Items disallowed u/s 43B of Income tax act, 1961	0.12	-
Business loss and unabsorbed depreciation	18.42	62.63
Provision for doubtful debts	8.45	-
Others	16.19	9.29
<b>Total</b>	<b>153.29</b>	<b>130.98</b>

Reconciliation of Deferred Tax Assets/(Liabilities)

<b>Opening Deferred Tax Assets</b>	<b>130.98</b>	<b>75.25</b>
Deferred tax credit/ (charge) recorded in Statement of Profit and Loss	18.59	54.43
Deferred tax credit/ (charge) recorded in Other Comprehensive Income	1.02	1.30
<b>Closing Deferred Tax Assets/(Liabilities)</b>	<b>150.59</b>	<b>130.98</b>

**Note: 8 : Other non current assets**

₹ in Lakhs

Particulars	As at 31 March, 2025	As a 31 March 2024
Capital advances	400.54	201.68
<b>Total</b>	<b>400.54</b>	<b>201.68</b>

**Note: 9 : Inventories**

₹ in Lakhs

Particulars	As at 31 March, 2025	As a 31 March 2024
Lower Project inventory	805.60	1,121.89
Finished goods	68.38	49.02
Work-in-progress	31.12	-
Raw-Metairial	131.40	-
<b>Total</b>	<b>1,036.50</b>	<b>1,170.91</b>

**Note: 10 : Contract assets**

₹ in Lakhs

Particulars	As at 31 March, 2025	As a 31 March 2024
<b>Unbilled revenue</b>	<b>180.44</b>	<b>325.00</b>
<b>Retention money</b>	<b>306.85</b>	<b>-</b>
<b>Total</b>	<b>487.29</b>	<b>325.00</b>



**Note: 11 : Trade receivables**

₹ in Lakhs

Particulars	As at 31 March, 2025	As a 31 March 2024
<b>Unsecured:</b>		
Considered good	3,759.33	2,138.02
Receivables which have significant increase in credit risk	269.72	236.17
<b>Sub Total</b>	<b>4,029.05</b>	<b>2,374.19</b>
Less: Impairment allowance	(269.72)	(236.17)
<b>Sub Total</b>	<b>(269.72)</b>	<b>(236.17)</b>
<b>Total</b>	<b>3,759.33</b>	<b>2,138.02</b>

**Note: 12 : Cash and bank balances**

₹ in Lakhs

Particulars	As at 31 March, 2025	As a 31 March 2024
<b>A) Cash &amp; cash equivalents</b>		
(I) Cash on hand	9.11	1.03
(II) Balances with banks		
(i) In Current account	14.03	10.06
(ii) Deposits with original maturity less than 3 months	-	31.08
<b>Sub total</b>	<b>23.14</b>	<b>42.17</b>
<b>B) Other bank balances</b>		
Deposits with original maturity more than 3 months and remaining maturity less than 12 months	138.24	85.96
<b>Sub total</b>	<b>138.24</b>	<b>85.96</b>
<b>Total</b>	<b>161.38</b>	<b>128.13</b>

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

**Note: 13 : Loans - current**

₹ in Lakhs

Particulars	As at 31 March, 2025	As a 31 March 2024
Inter Inter corporate loans and other advances	253.62	263.62
<b>Less: Impairment</b>	<b>(253.62)</b>	<b>-</b>
<b>Total</b>	<b>-</b>	<b>263.62</b>

**Note: 14 : Other financial assets - current**

₹ in Lakhs

Particulars	As at 31 March, 2025	As a 31 March 2024
Earnest money deposit	48.11	81.51
Accrued Interest	11.94	-
Security deposit	-	0.50
<b>Total</b>	<b>60.05</b>	<b>82.01</b>

**Note: 15 : Current Tax Assets**

₹ in Lakhs

Particulars	As at 31 March, 2025	As a 31 March 2024
TDS Receivable	45.01	30.72
<b>Total</b>	<b>45.01</b>	<b>30.72</b>



**Note: 16 : Other current assets**

₹ in Lakhs

Particulars	As at 31 March, 2025	As a 31 March 2024
Prepaid expenses	10.98	3.10
Balances with government authorities	33.96	19.00
Advance to Suppliers and others	383.59	597.18
<b>Total</b>	<b>428.53</b>	<b>619.28</b>

**Note: 17 : Share capital**

₹ in Lakhs

Particulars	As at 31 March, 2025	As a 31 March 2024
<b>(a) Authorised</b> 4,40,00,000 (P.Y. : 4,40,00,000) Equity Shares of the par value of Rs. 5 each	2,200.00	2,200.00
<b>TOTAL</b>	<b>2,200.00</b>	<b>2,200.00</b>
<b>(b) Issued, Subscribed and fully paid up</b> 4,33,00,000 (P.Y. : 4,33,00,000) Equity Shares of the par value of Rs. 5 each	2,165.00	2,165.00
<b>TOTAL</b>	<b>2,165.00</b>	<b>2,165.00</b>

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

₹ in Lakhs

Particulars	As at 31 March, 2025		As a 31 March 2024	
	No. of Shares	Amount	No. of Shares	Amount
Outstanding at the beginning of the year	43,300,000	2,165.00	43,300,000	2,165.00
Add: Shares issued during the year	-	-	-	-
Outstanding at the end of the year	43,300,000	2,165.00	43,300,000	2,165.00

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

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

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

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

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

₹ in Lakhs

Name of the Shareholder	As at 31 March, 2025		As a 31 March 2024	
	No. of Shares	Amount	No. of Shares	Amount
Rajinder Kaul	7,904,000	18.25%	7,904,000	18.25%
Ravinder Bhan	5,428,832	12.54%	5,428,832	12.54%
Arun Kaul	5,428,528	12.54%	5,428,528	12.54%
Sanjay Verma	4,342,565	10.03%	4,342,640	10.03%
Meghana Zutshi Kaul	2,171,472	5.01%	2,171,472	5.01%
<b>Total</b>	<b>25,275,397</b>		<b>25,275,472</b>	



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

Name of the Shareholder	As at 31 March, 2025	As a 31 March 2024	% change during the year
Rajinder Kaul	7,904,000	7,904,000	0%
Ravinder Bhan	5,428,832	5,428,832	0%
Arun Kaul	5,428,528	5,428,528	0%
Meghana Zutshi Kaul	2,171,472	2,171,472	0%
Shray Bhan	1,085,584	1,085,584	0%
Mukta Mani Kaul	998,944	998,944	0%
Hansa Kaul	868,528	868,528	0%
Sanjay Verma	4,342,565	4,342,640	0%

Name of the Shareholder	As at 31 March, 2024	As a 31 March 2023	% change during the year
Rajinder Kaul	7,904,000	7,904,000	0%
Ravinder Bhan	5,428,832	5,428,832	0%
Arun Kaul	5,428,528	5,428,528	0%
Meghana Zutshi Kaul	2,171,472	2,171,472	0%
Shray Bhan	1,085,584	1,085,584	0%
Mukta Mani Kaul	998,944	998,944	0%
Hansa Kaul	868,528	868,528	0%
Sanjay Verma	4,342,640	4,342,640	0%

#### Note: 18 : Other equity

₹ in Lakhs

Particulars	As at 31 March, 2025	As a 31 March 2024
General reserve	10.00	10.00
Retained earnings	21.19	345.56
<b>Total</b>	<b>31.19</b>	<b>355.56</b>

#### 18.1 General reserve

₹ in Lakhs

Particulars	As at 31 March, 2025	As a 31 March 2024
Balance as at the beginning of the year	10.00	10.00
Add: Transferred from retained earnings	-	-
<b>Closing balance</b>	<b>10.00</b>	<b>10.00</b>

#### 18.2 Retained earnings

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Balance as at the beginning of the year	345.56	196.01
Add: Profit / (loss) during the year	(22.79)	153.43
Add: Other comprehensive income arising from remeasurement of defined benefit obligation	(3.04)	(3.87)
Reversal of impairment on investment in subsidiary	(285.27)	-
Other	(13.27)	-
<b>Closing balance</b>	<b>21.19</b>	<b>345.56</b>



**Note :-19 Borrowings - non current**

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
<b>(a) Secured</b>		
<b>Term loans</b>		
From Banks	189.98	273.70
From Bank - Vehicle loan(s)	49.97	12.63
From NBFC - secured	-	40.15
<b>(b) Unsecured</b>		
<b>Term loans</b>		
From Banks	116.08	47.88
From NBFC	115.55	35.95
<b>Total</b>	<b>471.58</b>	<b>410.30</b>
Less: current maturities of long term borrowings	162.86	170.57
<b>Total</b>	<b>308.72</b>	<b>239.73</b>

\*Refer Note 52(a) for terms of repayment and rate of interest of the borrowings.

**Note :-20 Lease liabilities - non current**

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Lease liabilities	1.49	9.71
<b>Total</b>	<b>1.49</b>	<b>9.71</b>

**Note :-21 Long term provisions**

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Gratuity payable	63.23	50.03
Leave encashment payable	6.88	2.71
<b>Total</b>	<b>70.10</b>	<b>52.73</b>

**Note :-22 Borrowings - current**

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
<b>(A) Secured</b>		
<b>Loan Repayable on Demand</b>		
From Banks	572.20	379.95
State financial institution	499.63	97.36
Current maturity of long term borrowings	162.86	170.57
Loan from related parties	32.22	14.74
<b>Total</b>	<b>1,266.90</b>	<b>662.62</b>

\*Refer Note 52(b) for terms of repayment and rate of interest of the borrowings



**Note :-23 Lease liabilities - current**

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Lease liabilities	8.22	15.67
<b>Total</b>	<b>8.22</b>	<b>15.67</b>

**Note :-24 Trade payables**

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Total outstanding dues of micro enterprises and small enterprises	29.52	0.44
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,247.47	974.38
<b>Total</b>	<b>2,276.99</b>	<b>974.82</b>

**Note :-25 Other financial liabilities - current**

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Employees payable	93.75	57.36
Others payable	167.45	192.40
<b>Total</b>	<b>261.20</b>	<b>249.76</b>

**Note :-26 Other current liabilities**

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Statutory dues	152.18	148.34
Advance from customer and others	561.00	682.72
<b>Total</b>	<b>713.18</b>	<b>831.06</b>

**Note :-27 Provisions - current**

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Gratuity	2.27	1.87
Leave encashment	0.25	0.11
<b>Total</b>	<b>2.52</b>	<b>1.98</b>

**Note :-28 Current tax liabilities (net)**

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Current tax liabilities	3.56	8.26
<b>Total</b>	<b>3.56</b>	<b>8.26</b>



**Note :-29 Revenue from operations**

₹ in Lakhs

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Sale of Goods	7,065.15	6,494.82
Sale of Services	1,105.95	1,347.61
<b>Total</b>	<b>8,171.10</b>	<b>7,842.43</b>

**Note :-30 Other income**

₹ in Lakhs

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Interest income on financial assets carried at amortised cost		
Interest from fixed deposits with banks	10.36	6.48
Interest from security deposit	0.28	0.25
Other non-operating income		
Foreign exchange fluctuation	10.96	19.34
Miscellaneous income - non operating	18.27	7.35
Profit on sale of property, plant and equipment	-	155.91
Interest from income tax	1.62	1.41
<b>Total</b>	<b>41.49</b>	<b>190.74</b>

**Note :-31 Cost of materials consumed**

₹ in Lakhs

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Opening - Raw-Metairial	113.90	-
Opening - Project inventory	1,121.90	866.55
Purchase	6,129.59	6,618.23
Closing - Project inventory	805.61	1,121.89
Closing - Raw-Metairial	131.40	-
<b>Total</b>	<b>6,428.38</b>	<b>6,362.88</b>

**Note :-32 Sub-contracting charges**

₹ in Lakhs

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Sub-contracting charges	423.06	199.05
<b>Total</b>	<b>423.06</b>	<b>199.05</b>





**Note :-33 Changes in inventories of finished goods and work-in-progress**

₹ in Lakhs

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Opening - Finished goods	87.02	62.36
Opening - Work-in-progress	19.75	-
Closing - Finished goods	68.38	49.02
Closing - Work-in-progress	31.12	-
Net decrease/(increase)	7.27	13.34

**Note :-34 Employee benefits expense**

₹ in Lakhs

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Salaries and wages	499.69	423.24
Contribution to provident and other funds	16.16	17.50
Staff welfare expense	11.99	5.48
Total	527.84	446.22

**Note :-35 Finance cost**

₹ in Lakhs

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Interest on financial liabilities at amortised cost		
Interest on borrowings	129.45	118.56
Lease liability interest	2.28	4.02
Interest others	7.99	3.05
<b>Total</b>	<b>139.72</b>	<b>125.63</b>
Other borrowings costs		
Loan processing fee	9.92	0.71
BG/LC Commission Charges	28.28	11.02
<b>Total</b>	<b>177.92</b>	<b>137.36</b>

**Note :-36 Depreciation and amortisation**

₹ in Lakhs

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Depreciation of property, plant and equipment	55.63	60.07
Depreciation of Right of use (ROU)	14.62	14.61
<b>Total</b>	<b>70.25</b>	<b>74.68</b>



**Note :-37 Other expenses**

₹ in Lakhs

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Auditor's Remuneration	7.53	4.10
Business promotion	22.12	21.21
Expected credit loss*	33.55	236.17
Security expenses	18.55	12.82
Director Sitting Fees	1.38	1.84
Power & Fuel	5.96	3.04
Freight Outwards	166.17	160.09
Insurance Charges	4.34	7.28
Penalty Charges	11.69	15.24
Liquidity Damages	61.17	40.98
Rent	31.10	12.08
Legal & Professional Charges	73.59	42.20
Miscellaneous Expenses	32.02	40.26
Rates & Taxes	20.62	18.60
Repair & Maintenance	36.22	18.62
Travelling and conveyance expenses	66.38	61.40
<b>Total</b>	<b>592.38</b>	<b>695.93</b>

\*includes bad debts

**Note :-38 Exceptional Items**

₹ in Lakhs

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Impairment of Inter corporate loans and other advances	(330.23)	-
Reversal of impairment on investment in subsidiary	285.27	-
<b>Total</b>	<b>(44.96)</b>	<b>-</b>

**Note:-39 Income tax recognised in Statement of Profit and Loss**

₹ in Lakhs

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
<b>Current tax</b>		
In respect of the current year	-	4.70
In respect of the earlier year	-	-
<b>Deferred tax</b>		
In respect of the current year	(18.59)	(54.43)
In respect of the earlier year	-	-
<b>Taxation pertaining to earlier years</b>		
In respect of the current year	-	-
In respect of the earlier year	(4.70)	-
<b>Total income tax expense recognised in the current year</b>	<b>(23.29)</b>	<b>(49.73)</b>



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

₹ in Lakhs

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Profit before tax	(59.46)	103.70
Income tax expense	(14.97)	26.10
In respect of the earlier year	(4.70)	-
Effect of expenses that are not deductible in determining taxable profits	1.88	4.55
Deferred tax not recognised in previous year	(6.68)	(53.39)
Others	1.18	(26.99)
Income tax expense recognised in Statement of Profit and Loss	(23.29)	(49.73)

**Note:-40 Income tax recognised in other comprehensive income**

₹ in Lakhs

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
In respect of the earlier year		
In respect of the current year	1.02	1.30

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

₹ in Lakhs

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Other Comprehensive income	4.06	5.17
Income tax expense	1.02	1.30

The tax rate used for the year ended 31 March 2025 and 31 March 2024 in reconciliations above is the corporate tax rate of 25.17 % and 25.17% respectively payable by corporate entities in India on taxable profits under the Indian tax law.

Provision for tax in the consolidated financial statement for the year ended 31 March 2025 and year ended 31 March 2024 are only provisional in the respective years and subject to change at the time of filing of Income Tax Return based on actual addition/deduction as per provisions of Income Tax Act 1961.

**Note:-41 Earnings per share**

₹ in Lakhs

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Basic and Diluted earnings per share		
Profit/(loss) for the year (₹ in lakhs) attributable to owners	(22.79)	153.43
Weighted average number of equity shares used in calculation of basic and diluted EPS (Nos.)	43,300,000	43,300,000
Nominal value of each share (in ₹)	5.00	5.00
Basic and Diluted earnings/(loss) per share (in ₹)	(0.05)	0.35

**Note:-42 Employee benefits:**

**(a) Defined Contribution Plans**

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

Contribution to provident fund of ₹ 15.33 Lakhs (previous year: ₹ 16.01 Lakhs) is recognized as an expense and included in "Contribution to provident and other funds" in Statement of Profit and Loss.



## (b) Defined Benefit Plans:

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

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

The most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at 31 March 2025 and 31 March 2024 by Mithras Consultants, Fellow of the Institute of the Actuaries of India. The present value of the defined benefit obligation, the related current service cost and past service cost, were measured using the projected unit credit method.

₹ in Lakhs

Movement in the present value of the defined benefit obligation are as follows :	Gratuity	
	As at 31 March 2025	As at 31 March 2024
Opening defined benefit obligation	51.90	48.78
Liability Transfer In/(Out)	-	-
Current service cost	7.65	6.22
Interest cost	3.74	3.63
Benefits paid	(1.98)	(11.90)
Actuarial (gain) / loss on obligations	4.06	5.17
<b>Present value of obligation as at the year end</b>	<b>65.37</b>	<b>51.90</b>

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

## Gratuity

₹ in Lakhs

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Current service cost	7.65	6.22
Interest cost	3.74	3.63
<b>Amount recognised in profit or loss</b>	<b>11.39</b>	<b>9.85</b>
Actuarial (gain)/loss		
a) arising from changes in financial assumptions	3.20	0.87
b) due to change in demographic assumptions	-	5.26
b) arising from experience adjustments	0.86	(0.96)
<b>Amount recognised in other comprehensive income</b>	<b>4.06</b>	<b>5.17</b>

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

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Discount rate(Per annum)	6.80%	7.21%
Expected rate of salary increase	10.00%	10.00%
Employee attrition rate	5.00%	5.00%
Mortality	100% of IALM 2012-14	100% of IALM 2012-14



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

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

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

#### Sensitivity Analysis

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

₹ in Lakhs

Particulars	Gratuity	
	2024-25	2023-24
Impact on present value of defined benefit obligation:		
If discount rate is increased by 0.50% (PY 0.50%)	(3.87)	(2.95)
If discount rate is decreased by 0.50% (PY 0.50%)	4.24	3.22
If salary escalation rate is increased by 1.00% (PY 1.00%)	7.38	5.87
If salary escalation rate is decreased by 1.00% (PY 1.00%)	(6.78)	(5.29)
Increase Withdrawal Rate by 5.00%	(7.55)	(5.26)
Decrease Withdrawal Rate by 5.00%	15.05	10.39

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

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

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

₹ in Lakhs

Particulars	Gratuity	
	2024-25	2023-24
Expected outflow in 1st Year	2.26	1.88
Expected outflow in 2nd Year	2.38	2.02
Expected outflow in 3rd Year	2.55	2.12
Expected outflow in 4th Year	2.77	2.27
Expected outflow in 5th Year	2.92	2.42
Expected outflow in 6th Year onwards	170.30	138.16

The average duration of the defined benefit plan obligation at the end of the reporting period is 14 years ( For PY : 10 years)



### C. Other short term and long term employment benefits:

#### Annual leave & short term leave

The liability towards compensated absences (annual and short term leave) for the year ended 31 March 2025 based on actuarial valuation carried out by using Projected accrued benefit method results increase in liability by ₹4.31 Lakhs (previous year : decrease in liability by ₹ 5.98 Lakhs), which is included in the employee benefits in the Statement of Profit and Loss.

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

Particulars	As at	
	31 March 2025	31 March 2024
Discount rate	6.80%	7.21%
Expected rate of salary increase	10.00%	10.00%
Employee Attrition Rate	5.00%	5.00%
Mortality	100% of IALM 2012-14	100% of IALM 2012-14

### Note:-43 Related Party Disclosures:

#### (i) Where control exists :

M/s. Elettromeccanica India Private Limited - joint venture

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

Key Management Personnel (KMP)

Mr. Rajinder Kaul - Managing director

Mr. Sanjay Verma - Executive director

Ms. Garvita Asati - Chief financial officer

Mr. Subir Mulchandani - Independent director (w.e.f - 09/11/2023)

Ms. Saroj Chelluri - Independent director (w.e.f - 09/11/2023)

Mr. Shyama Prasad Mukherjee (w.e.f - 25/07/2024)

Mr. Arvind Kumar Koul - Independent director

Mr. Ravinder Bhan - Manager (w.e.f - 01/04/2023)

Mr. Sushil Kumar Badlani

Mr. Sushma Badlani

Mr. Som Datt Sharma

Ms. Saumya Jaiswal - Company secretary (w.e.f - 09/11/2023 & upto - 07/03/2025)

Ms. Pushpa Yadav - Company secretary (w.e.f - 07/03/2025)

Mr. Aditya Sharma Company secretary (w.e.f - 14/02/2023 & upto - 09/11/2023)

Ms. Nidhi Gambhir - Independent director (w.e.f - 03/03/2023 & upto - 02/06/2023)

Mr. Tanu Sharma - Independent director (w.e.f - 25/05/2023 & upto - 19/12/2023)

Mr. Hitesh Kumar (w.e.f - 04/07/2023 & upto - 19/12/2023)

Mr. Ranjeet Verma (w.e.f - 14/11/2023 & upto - 13/08/2023)

Mr. Ranjeet Verma (w.e.f - 14/11/2018 & upto - 13/08/2023)

Mr. Arun Kaul - Manager (w.e.f - 01/04/2023)

Mr. Mohit Badlani

Mr. Rahul Badlani

Mr. Vijay Pandey



The following table summarizes related-party transactions and balances included in the Consolidated financial statements:

Particulars	Joint venture		Key Management Personnel (KMP)		Total	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
<b>(A) Transactions during the year</b>						
<b>Advances / Loan taken during the year</b>						
Rajinder Kaul	-	-	12.00	18.00	12.00	18.00
Sushil Kumar Badlani	-	-	26.23	-	26.23	-
<b>Total</b>	-	-	38.23	18.00	38.23	18.00
<b>Remuneration exp. during the year</b>						
Rajinder Kaul	-	-	33.97	22.55	33.97	22.55
Ravinder Bhan	-	-	34.39	34.39	34.39	34.39
Arun Kaul	-	-	34.75	33.75	34.75	33.75
Sanjay Verma	-	-	34.75	22.55	34.75	22.55
Garvita Asati	-	-	17.09	11.91	17.09	11.91
Aditya Sharma	-	-	-	4.86	-	4.86
Soumya Jaiswal	-	-	3.63	1.60	3.63	1.60
Pushpa Yadav	-	-	0.32	-	0.32	-
Vijay Pandey	-	-	21.00	11.00	21.00	11.00
Sushil Kumar Badlani	-	-	20.93	-	20.93	-
Mohit Badlani	-	-	3.60	-	3.60	-
Rahul Badlani	-	-	2.70	-	2.70	-
<b>Total</b>	-	-	207.12	142.61	207.12	142.61
<b>Sitting fee during the year</b>						
Arvind Kumar Koul	-	-	0.36	0.24	0.36	0.24
Subir Mulchandani	-	-	-	0.20	-	0.20
Saroj Chelluri	-	-	0.66	0.30	0.66	0.30
Nidhi Gambhir	-	-	-	0.08	-	0.08
Tanu Sharma	-	-	-	0.70	-	0.70
Hitesh Kumar	-	-	-	0.50	-	0.50
Shyama Prasad Mukherjee	-	-	0.36	-	0.36	-
<b>Total</b>	-	-	1.38	2.02	1.38	2.02
<b>Imprest, Reimb. during the year</b>						
Rajinder Kaul	-	-	6.88	5.93	6.88	5.93
Ravinder Bhan	-	-	3.35	2.59	3.35	2.59
Arun Kaul	-	-	6.23	4.50	6.23	4.50
Sanjay Verma	-	-	5.86	6.06	5.86	6.06
Garvita Asati	-	-	2.37	0.01	2.37	0.01
Vijay Pandey	-	-	0.26	-	0.26	-
<b>Total</b>	-	-	24.95	19.10	24.95	19.10



(B) Balance as at the end of the year	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
<b>Loan / advances payable</b>						
Rajinder Kaul	-	-	3.71	6.85	3.71	6.85
Arun Kaul	-	-	0.77	0.77	0.77	0.77
Sushil Kumar Badlani	-	-	26.23	-	26.23	-
Sushma Badlani	-	-	2.68	-	2.68	-
<b>Total</b>	-	-	<b>33.39</b>	<b>7.62</b>	<b>33.39</b>	<b>7.62</b>
<b>Remuneration exp. payable</b>						
Rajinder Kaul	-	-	2.10	4.80	2.10	4.80
Ravinder Bhan	-	-	2.10	4.20	2.10	4.20
Arun Kaul	-	-	2.10	4.20	2.10	4.20
Sanjay Verma	-	-	2.10	5.20	2.10	5.20
Garvita Asati	-	-	1.05	0.91	1.05	0.91
Saumya Jaiswal	-	-	0.07	0.28	0.07	0.28
Pushpa Yadav	-	-	0.27	-	0.27	-
Vijay Pandey	-	-	1.50	1.00	1.50	1.00
Sushil Kumar Badlani	-	-	49.98	-	49.98	-
Mohit Badlani	-	-	0.40	-	0.40	-
Rahul Badlani	-	-	0.30	-	0.30	-
<b>Total</b>	-	-	<b>61.97</b>	<b>20.59</b>	<b>61.97</b>	<b>20.59</b>
<b>Sitting fee payable</b>						
Arvind Kumar Koul	-	-	0.09	0.04	0.09	0.04
Subir Mulchandani	-	-	-	0.12	-	0.12
Saroj Chelluri	-	-	0.09	0.09	0.09	0.09
Shyama Prasad Mukherjee	-	-	0.09	-	0.09	-
<b>Total</b>	-	-	<b>0.27</b>	<b>0.25</b>	<b>0.27</b>	<b>0.25</b>
<b>Imprest, Reimb. payable</b>						
Rajinder Kaul	-	-	0.56	1.16	0.56	1.16
Arun Kaul	-	-	1.02	0.42	1.02	0.42
Sanjay Verma	-	-	0.27	0.49	0.27	0.49
Garvita Asati	-	-	0.03	-	0.03	-
<b>Total</b>	-	-	<b>1.87</b>	<b>2.07</b>	<b>1.87</b>	<b>2.07</b>
<b>Imprest, Reimb. Receivable</b>						
Ravinder Bhan	-	-	0.23	0.16	0.23	0.16
Garvita Asati	-	-	-	0.08	-	0.08
Vijay Pandey	-	-	3.83	0.04	3.83	0.04
<b>Total</b>	-	-	<b>4.06</b>	<b>0.28</b>	<b>4.06</b>	<b>0.28</b>
<b>Trade Payables</b>						
Elettromeccanica India Private Limited	182.75	182.90	-	-	182.75	182.90
<b>Total</b>	<b>182.75</b>	<b>182.90</b>	-	-	<b>182.75</b>	<b>182.90</b>





**(C) Guarantee**

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

**Notes:**

- Sales, purchases and service transactions with the related parties are exclusive of taxes and made at arm's length price.
- Amounts outstanding are unsecured and will be settled in cash or receipts of goods and services.
- No expense has been recognised for the year ended 31 March 2024 and 31 March 2023 for bad or doubtful trade receivables in respect of amounts owed by related parties.
- There have been no guarantees received or provided for any related party receivables or payables.
- Components of Compensation of Key management personnel: ₹ in Lakhs

Particulars	2024-25	2023-24
Short term benefits	207.12	142.61
Post employment benefits:*	-	-
Long term employment benefits:*	-	-
Share based payments	-	-
Termination benefits	-	-
Sitting fees paid to directors	1.38	2.02
Total	208.50	144.63

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

**NOTE:-44 CONTINGENT LIABILITIES:**

- Contingent liabilities as at 31 March 2025 : Rs. Nil (31 March 2024 : Rs. Nil)

**Note:-45 Capital and other Commitments**

- Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances) is ₹ 210.54 Lakhs (as at 31 March 2024: ₹ 201.68 Lakhs).
- Bank guarantees and letter of credit issued by the holding Company to its customers for ₹ 1,518.60 Lakhs (as at 31 March 2024 : ₹ 843.40 Lakhs).

**Note:-46 Capital Management**

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

The Group's capital management objectives are:

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

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



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

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current borrowings	308.73	239.73
Current borrowings	1,266.90	662.62
Interest accrued but not due on borrowings	-	-
<b>Total Debt</b>	<b>1,575.63</b>	<b>902.35</b>
Less: Cash and bank balances	161.38	128.13
<b>Net debt</b>	<b>1,414.25</b>	<b>774.22</b>
Total equity	2,203.41	2,520.56
<b>Net debt to equity %</b>	<b>64.18%</b>	<b>30.72%</b>

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March, 2025 and 31 March, 2024.

**Note:-47 Balance confirmation**

The Group has a system of obtaining periodic confirmation of balances from banks, trade receivables/payables/advances to vendors and other parties (other than disputed parties). Adjustments/restatement/impairment loss/provisions on advances, if any will be accounted for on confirmation/reconciliation of the same, which in the opinion of the management will not have a material impact on the Consolidated financial statement.

**Note:-48 Segment information**

The Group is primarily engaged in Engineering, Procurement and Construction business (EPC) relating to Electrical and other Cables, Capacitors, Wires and Conductors, etc. and Turnkey Projects predominantly relating thereto. Information is reported to and evaluated regularly by the Chief Operating Decision Maker (CODM) for the purpose of resource allocation and assessing performance, focuses on the business as a whole and accordingly, there is a single reportable segment in the context of the Operating Segment as defined under Ind AS - 108.

**Note:- 49 Revenue from contracts with customers as per Ind AS 115**

**(A) Disaggregated revenue information**

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

**Reportable segment**

₹ in Lakhs

Particulars	2024-2025	2023-2024
Major Product/ Service Lines		
Sale of goods	7,065.15	6,494.82
Sale of services	1,105.95	1,347.61
<b>Total</b>	<b>8,171.10</b>	<b>7,842.43</b>

**(B) Contract balances**

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

Outstanding Trade Receivables are usually non-interest bearing and are generally on credit terms upto 90 days except retention money and certain other recoverable amounts withheld by the customer(s) as per the governing terms and conditions of the underlying contract(s)/turnkey contracts. The outstanding Trade Receivables relating to turnkey contracts are generally non-interest bearing and credit terms thereunder are specific to each of such contracts. During the Current year, the holding Company has recognised a provision for expected credit loss on Trade Receivables of ₹ 33.55 lakhs (previous year : ₹ 236.17 lakhs).



Contract Assets include Unbilled Revenue as receipt of customers' acceptances are conditional upon successful completion of milestones and certification of installation. Contract Liabilities include advances received from customers and Excess of Billing over the Revenue.

- (C) Revenue from two customer which accounts for more than 10% of the total revenue of the holding Company is as follows:-

₹ in Lakhs		
Particulars	2024-2025	2023-2024
Customer 1	35.67	57.92
Customer 2	14.30	8.82

**Note:- 50 Leases**

**Group as a lessee**

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

**i. Carrying value of right-of-use assets by class of underlying assets**

₹ in Lakhs

Particulars	Building	Total
<b>As at 31 March 2023</b>	<b>37.16</b>	<b>37.16</b>
Add: Additions	-	-
Less: Disposals/adjustments	14.61	14.61
<b>As at 31 March 2024</b>	<b>22.55</b>	<b>22.55</b>
Add: Additions	-	-
Less: Disposals/adjustments	14.61	14.61
<b>As at 31 March 2025</b>	<b>7.94</b>	<b>7.94</b>

**ii. Movement in lease liability during year ended**

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Opening Balance	25.37	38.28
Additions during the year	-	-
Deletions	-	-
Interest on lease liabilities	2.28	4.02
Payment of lease liabilities	17.94	16.93
<b>Closing Balance</b>	<b>9.71</b>	<b>25.37</b>

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

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Maturity analysis - contractual undiscounted cash flows		
Less than one year	8.22	15.67
One to five years	1.49	9.71
More than five years	-	-
<b>Total undiscounted lease liabilities</b>	<b>9.71</b>	<b>25.38</b>



iv. Amount recognized in statement of profit and loss

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Interest on lease liabilities	2.28	4.02
Included in rent expenses: Expense relating to short-term leases	31.10	12.08

v. Amounts recognised in the statement of cash flows

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
Total cash outflow for leases	49.04	29.01

Note:-51 Payment to Auditors

₹ in Lakhs

Particulars	2024-2025	2023-2024
Audit fees	5.55	2.40
For other services	1.98	1.70
<b>Total</b>	<b>7.53</b>	<b>4.10</b>

Note : The above amounts are exclusive of GST

Note:-52(a) Terms of repayment and securities for non-current borrowings

₹ in Lakhs

Particulars	2024-2025	2023-2024
<b>Secured Loan</b>		
HDFC Vehicle Loan -6276, This loan fully paid in current year.	-	0.60
HDFC Vehicle Loan -6624, This loan fully paid in current year.	-	0.60
HDFC Vehicle Loan -2296, This loan fully paid in current year.	-	0.94
ICICI Bank Ltd Vehicle Loan, This loan is secured against hypothecation of the said vehicle. This loan is repayable by repayment of EMI Rs. 36,215 with interest at the rate 9.50%, The loan is repayable in balance 21 monthly instalments.	6.99	10.50
WCTL under GECL 1.0 Loan, This loan is secured against the property of directors and ATS Building. This loan is repayable by repayment of EMI Rs. with interest at the rate Market Rate, The loan is repayable in balance 6 monthly instalments.	14.79	38.64
J&K Bank GECL - MSME Loan, This loan fully paid in current year.	-	6.50
J&K Bank Ltd - ATS Office Loan, This loan is secured against the property of directors and ATS Building. This loan is repayable by repayment of EMI Rs. 5,00,000 with interest at the rate Market Rate, The loan is repayable in balance 46 monthly instalments. We had taken additional loans also.	165.56	228.55
<b>Unsecured Loan</b>		
Hero Fincorp Ltd, This loan is repayable by repayment of EMI Rs. 88,772 with interest at the rate 16.00%, The loan is repayable in balance 7 monthly instalments.	5.90	14.81
IndusInd Bank Limited, This loan fully paid in current year.	-	8.33
ICICI Bank Ltd, This loan fully paid in current year.	-	22.37
Credit Saison Kisetu Saison Finance (India) Pvt Ltd, This loan is repayable by repayment of EMI Rs. 128171 with interest at the rate 17.50%, The loan is repayable in balance 7 monthly instalments.	8.47	21.14



Particulars	2024-2025	2023-2024
Unity Small Finance Bank Ltd, This loan is repayable by repayment of EMI Rs. 1,09,159 with interest at the rate 17.50%, The loan is repayable in balance 6 monthly instalments.	6.23	17.17
Unity Small Finance Bank Ltd - USFBDELBL00000000108, This loan is repayable by repayment of EMI Rs. 1,20,578 with interest at the rate 17.00%, The loan is repayable in balance 26 monthly instalments.	26.07	-
Indusind Bank - 0085836, This loan is repayable by repayment of EMI Rs. 141618 with interest at the rate 17.00%, The loan is repayable in balance 30 monthly instalments.	34.59	-
ICICI Bank Loan_UPNOD00050769705, This loan is repayable by repayment of EMI Rs. 1,79,274 with interest at the rate 17.00%, The loan is repayable in balance 35 monthly instalments.	49.20	-
L & T Finance Limited - BL25022281897050, This loan is repayable by repayment of EMI Rs. 182072 with interest at the rate 18.00%, The loan is repayable in balance 36 monthly instalments.	50.25	-
Poonawala Fincorp Limited - APPL00562025, This loan is repayable by repayment of EMI Rs. 1,77,815 with interest at the rate 15.50%, The loan is repayable in balance 36 monthly instalments.	50.93	-
HDFC Vehicle Loan -159776061, This loan is repayable by repayment of EMI Rs. 52,128 with interest at the rate 9.67%, The loan is repayable in balance 60 monthly instalments.	25.20	-
Canara Bank Vehicle Loan, This loan is secured against hypothecation of the said vehicle. This loan is repayable by repayment of EMI Rs. 29,663 with interest at the rate 9.85%, The loan is repayable in balance 79 monthly instalments.	17.77	-

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

**Note:-52(b) Terms of repayment and securities for current borrowings**

**₹ in Lakhs**

Particulars	2024-2025	2023-2024
Cash credit loan from Jammu and Kashmir Limited and interest payment according to the market rate.	572.20	379.95
Cash credit loan from Canara Bank and interest payment according to the market rate.	9.65	-
Loan from National small industrial corporation against bank guarantee which carries interest rate of 10.75%.	499.63	97.36
Loan from Directors is interest free and repayable on demand.	32.22	14.74

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



Note :-53 : Financial Instruments

(i) Categories of financial instruments

₹ in Lakhs

Particulars	As at 31 March 2025	As at 31 March 2024
<b>Financial assets</b>		
<b>Measured at amortised cost</b>		
(a) Cash and bank balances	161.38	128.13
(b) Trade receivables	3,759.33	2,138.02
(c) Loans	-	263.62
(d) Other financial assets	60.05	82.01
<b>Total</b>	<b>3,980.76</b>	<b>2,611.78</b>
<b>Total financial assets</b>	<b>3,980.76</b>	<b>2,611.78</b>
<b>Financial liabilities</b>		
<b>Measured at amortised cost</b>		
(a) Borrowings	1,575.63	902.35
(b) Trade payables	2,276.99	974.82
(c) Other financial liabilities	270.91	275.14
<b>Total</b>	<b>4,123.53</b>	<b>2,152.31</b>
<b>Total financial liabilities</b>	<b>4,123.53</b>	<b>2,152.31</b>

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

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

**(ii) Financial risk management**

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

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

**(iii) Market Risk**

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

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

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

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

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



Particulars	As at 31 March 2025	As at 31 March 2024
Liabilities		
In USD		
Trade Payable	1.16	2.62
<b>USD Total</b>	<b>1.16</b>	<b>2.62</b>

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

Particulars	As at 31 March 2025	As at 31 March 2024
Assets		
In USD		
Trade Receivable	8.61	10.21
<b>USD Total</b>	<b>8.61</b>	<b>10.21</b>

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

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

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

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

Particulars	USD impact (net of tax)	
	As at 31 March 2025	As at 31 March 2024
Impact on profit or loss for the year	0.56	0.57
Impact on total equity as at the end of the reporting period	0.56	0.57

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

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

**(b) Interest rate sensitivity analysis**

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

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's profit for the year ended 31 March 2025 would decrease/increase by ₹ 5.77 lakh net of tax (for the year ended 31 March 2024 decrease/increase by ₹ 3.38 lakh net of tax). This is mainly attributable to the Company's exposure to interest rates on its variable rate borrowings.

**(vi) Other price risks**

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



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

**(vii) Credit risk management**

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

**(a) Trade receivables**

Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. The Company considers such amounts as due only on completion of related milestones. Accordingly, risk of recovery of such amounts is mitigated. All trade receivables are reviewed and assessed for default at each reporting period.

For trade receivables, as a practical expedient, the Company computes credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. The provision matrix at the end of the reporting period is as follows and during the year the Company has changed the provision matrix considering the long term outstanding and credit risk.

Ageing	Expected credit loss (%)	
	2024-25	2023-24
0-1 Year	1%	1%
1-2 Year	10%	10%
2-3 Year	15%	15%
3-5 Year	25%	25%
Above 5 Year	100%	100%

Age of receivables

₹ in Lakhs

Particular	As at 31 March 2025	As at 31 March 2024
0-1 Year	1,711.06	1,099.65
1-2 Year	145.07	100.46
2-3 Year	33.04	23.22
3-5 Year	140.19	294.17
Above 5 Year	198.10	138.10
Gross trade receivables	2,227.46	1,655.60

\* Expected credit loss(ECL) is not calculated for Balance outstanding with Related party and government debtors

Movement in the expected credit loss allowance:

₹ in Lakhs

Particular	As at 31 March 2025	As at 31 March 2024
Balance at beginning of the year	236.17	-
Movement in expected credit loss allowance-further allowance	33.55	236.17
Movement in expected credit loss allowance-Amount written off	-	-
Balance at end of the year	269.72	236.17

**b) Loans and Receivables**

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





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

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

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

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

Movement in the expected credit loss allowance on Loans and other receivables:

Particular	₹ in Lakhs	
	As at 31 March 2025	As at 31 March 2024
Balance at beginning of the year	-	-
Movement in expected credit loss allowance-further allowance	(253.62)	-
Movement in expected credit loss allowance-Amount written off	-	-
<b>Balance at end of the year</b>	<b>(253.62)</b>	<b>-</b>

c) Other financial assets

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

### Liquidity Risk Management

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

### Liquidity and interest risk tables

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

Particulars	₹ in Lakhs			
	Less than 1 year	1 to 5 year	5 years and above	Total
<b>As at 31 March 2025</b>				
Borrowings and lease liability	1,275.12	310.22	-	1,585.34
Trade payables	2,276.99	-	-	2,276.99
Other financial liabilities	261.20	-	-	261.20
<b>Total</b>	<b>3,813.31</b>	<b>310.22</b>	<b>-</b>	<b>4,123.53</b>
<b>As at 31 March 2024</b>				
Borrowings and lease liability	678.29	249.44	-	927.73
Trade payables	974.82	-	-	974.82
Other financial liabilities	249.76	-	-	249.76
<b>Total</b>	<b>1,902.87</b>	<b>249.44</b>	<b>-</b>	<b>2,152.31</b>



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

Financial assets / (Financial liabilities)	Fair Value as at		Fair Value Hierarchy	Valuation Technique(s) & key inputs used	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	31 March 2025	31 March 2024				
					NA	NA

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

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

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

**Note:-54 Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary/ Associates/ Joint Ventures.**

₹ in Lakhs

Name of Entity	Net Assets (Total Assets - Total liabilities)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	Amount	As % of consolidated	Amount	As % of consolidated	Amount	As % of consolidated	Amount	As % of consolidated
Sharika Enterprises Limited	2,716.23	123.27%	97.19	-256.59%	(3.04)	100.00%	94.15	-230.10%
Subsidiary Companies								
Sharika Spintech Private Limited	113.18	5.14%	(81.67)	215.61%	-	0.00%	(81.67)	199.59%
Sharika Smartec Private Limited	(32.61)	-1.48%	(18.21)	48.08%	-	0.00%	(18.21)	44.50%
Contronics Switchgear India Private Limited	(14.08)	-0.64%	(48.71)	128.59%	-	0.00%	(48.71)	119.03%
Consolidation adjustments	(579.31)	-26.29%	13.52	-35.69%	-	0.00%	13.52	-33.04%
<b>Total</b>	<b>2203.41</b>	<b>100.00%</b>	<b>(37.88)</b>	<b>100.00%</b>	<b>(3.04)</b>	<b>100.00%</b>	<b>(40.92)</b>	<b>100.00%</b>



**Note:-55 Trade Receivable Ageing**

**Trade Receivable ageing schedule As at 31 March 2025**

₹ in Lakhs

Particulars	Outstanding for following periods from due date of payment / date of transaction						Total
	Not Due	Less than 6 month	6 months - 1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) Undisputed Trade receivable considered good	1,688.04	928.54	516.36	153.79	2.13	385.72	3,674.58
(ii) Undisputed Trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivable - credit impaired	-	-	-	-	-	33.55	33.55
(iv) Disputed Trade receivable considered good	-	-	-	-	-	84.75	84.75
(v) Disputed Trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivable - credit impaired	-	-	-	-	-	-	-

**Trade Receivable ageing schedule As at 31 March, 2024**

₹ in Lakhs

Particulars	Outstanding for following periods from due date of payment / date of transaction						Total
	Not Due	Less than 6 month	6 months - 1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) Undisputed Trade receivable considered good	1,023.10	249.48	57.39	76.71	31.39	615.20	2,053.27
(ii) Undisputed Trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade receivable - credit impaired	-	-	-	-	-	236.17	236.17
(iv) Disputed Trade receivable considered good	-	-	-	-	-	84.75	84.75
(v) Disputed Trade receivable - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivable - credit impaired	-	-	-	-	-	-	-

**Note:-55(a) Trade Payable Ageing**

**Trade Payable ageing schedule As at 31 March 2025**

₹ in Lakhs

Particulars	Outstanding for following periods from due date of payment / date of transaction				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) MSME	29.52	-	-	-	29.52
(ii) Others	1,519.21	221.72	185.27	317.13	2,243.33
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-

**Trade Payable ageing schedule As at 31 March 2024**

₹ in Lakhs

Particulars	Outstanding for following periods from due date of payment / date of transaction				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 years	
(i) MSME	0.44	-	-	-	0.44
(ii) Others	472.19	195.20	81.90	42.19	791.48
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-



**Note:-55(b) The particulars of dues to Micro and Small Enterprises under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act):**

₹ in Lakhs

Particulars	2024-25	2023-24
Principal amount due to suppliers under MSMED Act at the year end	29.52	0.44
Interest accrued and due to suppliers under MSMED Act on the above amount, unpaid at the year end.	1.17	-
Payment made to suppliers (other than interest) beyond the appointed date during the year	-	-
Interest paid to suppliers under section 16 of MSMED Act during the year	-	-
Interest due and payable to suppliers under MSMED Act for payments already made.	-	-
Interest accrued and not paid to suppliers under MSMED Act up to the year end.	-	-

**Note:-56 Corporate Social Responsibility (CSR)**

The provision for CSR is not applicable to the Group and accordingly no amount has been spent on any CSR activity during the year.

**Note:-57** There have been no delays in transferring amounts required to be transferred to the Investor Education and Protection Fund by the holding company and its subsidiaries.

**Note:-58** The Group has a comprehensive system of maintenance of information and documents as required by the Goods and Services Act ("GST Act"). Since the GST Act requires existence of such information and documentation to be contemporaneous in nature, books of accounts of the Group are also subject to filing of GST Periodic and Annual Return as per applicable provisions of GST Act to determine whether the all transactions have been duly recorded and reconcile with the GST Portal. Adjustments, if any, arising while filing the GST Annual Return shall be accounted for as and when the return is filed for the current financial year. However, the management is of the opinion that the aforesaid annual return will not have any material impact on the Consolidated financial statements.

**Note:-59** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits has received Presidential assent on 28 September 2020. The Code has been published in the Gazette of India. However, the effective date of the Code is yet to be notified and final rules for quantifying the financial impact are also yet to be issued. In view of this, the Group will assess the impact of the Code when relevant provisions are notified and will record related impact, if any, in the period the Code becomes effective.

**Note:-60 Other statutory information's:**

- (i) The Group does not have any transaction with the companies struck off under SEC 248 of the Companies Act 2013 or section 560 of the Companies Act 1956 during the year ended 31 March 2025 and 31 March 2024.
- (ii) There are no charges or satisfaction which are to be registered with the registrar of companies during the year ended 31 March 2025 and 31 March 2024.
- (iii) The Group complies with the number of layers of companies in accordance with clause 87 of Section 2 of the Act read with the Companies (Restriction on number of layers) rules 2017 during the year ended 31 March 2025 and 31 March 2024.
- (iv) The Group has not invested or traded in cryptocurrency or virtual currency during the year ended 31 March 2025 and 31 March 2024.
- (v) No proceedings have been initiated on or are pending against the Group for holding Benami property under the Prohibition of Benami Property Transaction Act 1988 (as amended in 2016) (formally the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder during the year ended 31 March 2025 and 31 March 2024.
- (vi) The Group has not been declared a wilful defaulter by any bank or financial institution or government or any government authorities during the year ended 31 March 2025 and 31 March 2024.
- (vii) The Group has not entered into any scheme of arrangement approved by the competent authority in terms of sections 232 to 237 of the Companies Act 2013 during the year ended 31 March 2025 and 31 March 2024.
- (viii) During the year ended 31 March 2025 and 31 March 2024, the Group has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961



(such as search or survey or any other relevant provisions of the Income Tax Act 1961).

- (ix) During the year ended 31 March 2025 and 31 March 2024, the Group has not advanced or loaned or invested funds (either borrowed funds or the share premium or kind of funds) to any other person or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary shall:
- a. directly or indirectly land or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (ultimate beneficiaries) or "
  - b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
- (x) During the year ended 31 March 2025 and 31 March 2024, the Group has not received any funds from any persons or entities including foreign entities (Funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall :
- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
  - b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- (xi) The Group does not have any transaction which is not recorded in the books of accounts but has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (xii) Quarterly returns or statements of the current assets filed by the holding Company with banks or financial institutions

As per our Report of even date attached

**For R D V & Associates**  
**Chartered Accountants**  
(ICAI Firm Reg. No: 006128C)

**Vaibhav Goel**  
(Partner)  
Membership No. 547918

Date : 28/05/2025  
Place : Noida

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

**Rajinder Kaul**  
Managing Director  
DIN - 01609805

**Garvita Asati**  
Chief Financial Officer

**Sanjay Verma**  
Executive Director  
DIN-08139841

**Pushpa Yadav**  
Company Secretary



**FORM AOC-1**

[Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014]

**Statement containing salient features of the financial  
statement of subsidiaries/associate companies/joint ventures**

**Part "A":  
Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

S. No.	Particulars	Details
1.	Name of Subsidiary	Sharika Spintech Private Limited (Formerly known as Sharika Lightec Private Limited)
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Not Applicable
4.	Share capital	3,00,00,000
5.	Reserves & surplus	(1,86,81,709.96)
6.	Total assets	1,25,17,692.04
7.	Total Liabilities	11,99,402
8.	Investments	0
9.	Turnover	0
10.	Profit before taxation	(1,03,32,620.75)
11.	Provision for taxation	0
12.	Profit after taxation	(81,67,313.75)
13.	Proposed Dividend	0
14.	Percentage of shareholding	99.99%



**FORM AOC-1**

[Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014]

**Statement containing salient features of the financial  
statement of subsidiaries/associate companies/joint ventures**

**Part "A":  
Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

S. No.	Particulars	Details
1.	Name of Subsidiary	Sharika Smartec Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Not Applicable
4.	Share capital	1,00,000.00
5.	Reserves & surplus	(33,60,853.22)
6.	Total assets	57,61,782.05
7.	Total Liabilities	90,22,635.27
8.	Investments	0
9.	Turnover	0
10.	Profit before taxation	(29,50,925.91)
11.	Provision for taxation	0
12.	Profit after taxation	(18,20,560.69)
13.	Proposed Dividend	0
14.	Percentage of shareholding	99.99%



**FORM AOC-1**

[Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of the Companies  
(Accounts) Rules, 2014]

**Statement containing salient features of the financial  
statement of subsidiaries/associate companies/joint ventures**

**Part "A":  
Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

S. No.	Particulars	Details
1.	Name of Subsidiary	Contronics Switchgear India Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Not Applicable
4.	Share capital	7,00,000
5.	Reserves & surplus	(21,04,028.00)
6.	Total assets	3,11,33,956.32
7.	Total Liabilities	3,25,37,984.32
8.	Investments	0
9.	Turnover	2,82,96,050.60
10.	Profit before taxation	(67,73,804.53)
11.	Provision for taxation	0
12.	Profit after taxation	(48,69,846.58)
13.	Proposed Dividend	0
14.	Percentage of shareholding	60%





**Part “B”:**

**Associate & Joint Venture**

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

Name of Associates or Joint Ventures	Elettromeccanica India Private Limited
Latest audited Balance Sheet Date	31/03/2025
Date on which the Associate or Joint Venture was associated or acquired	27/11/2008
Shares of Associate or Joint Ventures held by the company on the year end	7,18,185 equity Shares of Rs. 10 each
Extent of Holding (in percentage)	49.00%
Description of how there is significant influence	Due to percentage of shareholding (more than 20%)
Reason why the associate/joint venture is not Consolidated	The financials of Elettromeccanica India Private Limited is not considered as the investment of Sharika Enterprises Limited in the joint venture has been eroded due to accumulated losses.
Net worth attributable to shareholding as per latest audited Balance Sheet	Rs. 1,54,62,181.49, 49% of Total Net worth
Profit/ (Loss) for the year	Rs. (44,558.23)

As per our Report of even date attached

**For R D V & Associates**  
**Chartered Accountants**  
(ICAI Firm Reg. No: 006128C)

**Vaibhav Goel**  
(Partner)  
Membership No. 547918

Date : 28/05/2025  
Place : Noida

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

**Rajinder Kaul**  
Managing Director  
DIN - 01609805

**Garvita Asati**  
Chief Financial Officer

**Sanjay Verma**  
Executive Director  
DIN-08139841

**Pushpa Yadav**  
Company Secretary



If undelivered Please return to:

**Sharika Enterprises Limited**

C-504, ATS Bouquet, Sector-132,

Noida, UP-201305