

INDEPENDENT AUDITOR'S REPORT

To
The Members of
SHARP INVESTMENTS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **M/S SHARP INVESTMENTS LIMITED**, which comprise the Balance Sheet as at **March 31, 2019**, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the matters stated in section 134(5) of the companies act 2013 ("the Act") with respect to the preparation & presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting principles generally accepted in India, including the Accounting Standards referred under Section 133 of the act. This responsibility 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 judgements and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2019;
- b) In the case of the Statement of Profit and Loss, of the **Profit** for the year ended on that date.
- c) In the case of the Cash Flow Statement, of the cash flows for the period ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, to report on the matters Specified in paragraphs 3 and 4 of the said Order, we annex annexure B hereto a statement on the matters specified therein.
2. As required by section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c. The Balance Sheet, the statement of Profit and Loss and the cash flow statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the companies (Accounts) Rules, 2014 ;
 - e. On the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of section 164(2) of the Companies Act, 2013.
 - f. With respect to adequacy of internal financial controls over financial reporting of the Company and operating effectiveness of such controls, refer to our separate report in "Annexure A"
 - g. In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
 - (i) The Company does not have any pending litigations which would impact its financial position,
 - (ii) The Company does not have any long term contracts including derivatives contracts for which there were any material foreseeable losses;
 - (iii) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.

A.Balalaria& Co.

Chartered Accountant
37, Ezra Street, BNC Chambers
Kolkata – 700001

Place: Kolkata

Date: 04.09.2019

For A.BALASARIA& CO
Chartered Accountants

(ANIRUDH KUMAR BALASARIA)

Proprietor

FIRM REG NO: 319300E

Membership No. 054778

UDIN : 19054788AAAAIP8352

Annexure A to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of SHARP INVESTMENTS LIMITED ("the Company") as of 31 March, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, 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.

Place: Kolkata

Date: 04.09.2019

For A. BALASARIA & CO

Chartered Accountants

(ANIRUDH KUMAR BALASARIA)

Proprietor

FIRM REG NO: 319300E

Membership No. 054778

UDIN : 19054788AAAAIP8352

Annexure B to the Auditors' Report

[Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our Report of even date to the members of M/s SHARP INVESTMENTS LIMITED on the accounts of the company for the year ended 31st March, 2019]

Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and in our opinion and in terms of the information and explanations given to us and the books and records examined by us in the normal course of audit, we report that :-

(i) In respect of its fixed assets :

The Company has no fixed assets as on 31st March, 2019.

(ii) In respect of its inventory :

The Company has no inventory as on 31st March, 2019.

(iii) There are no Companies covered in the register maintained under section 189 of the Act for the purpose of loans granted by the Company.

(iv) In our opinion and according to the information and explanations given to us, the company is a NBFC and the provisions of section 185 and 186 of the Act, with respect to the loans, investments, guarantees and security does not apply to the Company.

(v) In our opinion and according to the information and explanation given to us, the company has not accepted any deposits during the year under audit hence clause 3(v) of the said order is not applicable to the company.

(vi) In our opinion and according to the information and explanation given to us, the Central Government has not prescribed any maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company; hence clause 3(vi) of the said order is not applicable to the company.

(vii) In respect of statutory dues :

- (a) In our opinion and according to the information and explanation given to us, the Company has generally been regular in depositing undisputed statutory dues, including Income-tax and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March 2019 for a period of more than six months from the date of becoming payable.
- (b) According to the information and explanations given to us, there were no amounts payable in respect of Income-tax, or Cess which have not been deposited on account of any dispute.
- (viii) In our opinion and according to the information and explanation given to us, the company does not have any loans or borrowings from the financial institution, bank, Government or debenture holders during the year under audit .
- (ix) In our opinion and according to the information and the explanation given to us, the company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans during the year.
- (x) In our opinion and according to the information and the explanation given to us, no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) In our opinion and according to the information and the explanation given to us, managerial remuneration of Rs. 4,00,000/- has been paid to Managing Director, Mr. Sagar Mal Nahata by the Company.
- (xii) In our opinion and according to the information and the explanation given to us, the company is not a nidhi company and hence clause 3(xii) of the said order is not applicable to the company.
- (xiii) In our opinion and according to the information and the explanation given to us, transactions with the related party are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- (xiv) In our opinion and according to the information and the explanation given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him and hence clause 3(xv) of the said order is not applicable to the company.
- (xvi) In our opinion and according to the information and explanations given to us, the company is registered under section 45IA of the Reserve Bank of India Act, 1934 and the registration Certificate of the same has been obtained by the Company. The Certificate of Registration No is.: B-05.06565 Dated 11.07.2005.

Place: Kolkata

Date: 04.09.2019

For A. Balasaria & CO
Chartered Accountants

(ANIRUDH KUMAR BALASARIA)
Proprietor
FIRM REG NO: 319300E
Membership No. 054778
UDIN : 19054788AAAAIP8352