

DIRECTORS' REPORT TO THE MEMBERS

Your Directors have pleasure in presenting their Annual Report together with the Audited Accounts of the Company for the Year ended March 31, 2019.

1. FINANCIAL RESULTS: (Rs. in Lacs)

Particulars	March 31, 2019	March 31, 2018
Revenue from Operations	3.39	24.67
Other Income	13.50	Nil
Total	16.89	24.67
Profit before depreciation & taxation & exceptional item	0.93	3.06
Less: Depreciation	Nil	Nil
Add : exceptional Item	Nil	Nil
Profit Before Tax	0.93	3.06
Less: Provision for taxation	0.25	0.84
Add: Prior period adjustment	Nil	Nil
Profit after taxation	0.68	2.21
Add: Balance brought forward from previous year	(143.49)	(145.71)
Less : Fixed Assets Written Off	Nil	Nil
Less : Provision for Standard Assets	-	-
Surplus available for appropriation	0.68	2.21
Balance carried to Balance sheet	(142.81)	(143.49)

Due to the accumulated loss in the balance Sheet, the company proposes to retain the Balance in the profit and loss account without any making any appropriation.

OPERATIONAL REVIEW:

During the year under review the turnover declined to 16.89 Lacs in comparison to that of the previous year 24.67 Lacs . Profit before depreciation and taxation was Rs. 0.93 lacs against Rs. 3.06 Lacs in the previous year. After providing for taxation of Rs. 0.25 Lacs & Rs 0.84 Lacs respectively, the net profit of the Company for the year under review after considering income from exceptional item was placed at Rs. 0.68 Lacs as against Rs. 2.21 , lacs in the previous year.

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DIVIDEND:

In view of Accumulated Loss in the Balance Sheet your directors do not recommend any dividend for the year under operation.

SHARE CAPITAL:

The paid up equity capital as on March 31, 2019 was Rs 2420.97 Lakhs. The company has not issued shares with differential voting rights nor granted stock options nor sweat equity. As on 31ST March, 2019 none of the Directors hold any instrument convertible into equity shares of the company .

FINANCE:

Cash and cash equivalents as at March 31, 2019 was Rs. 34.11 lakhs. The company continues to focus on judicious management of its working capital, Receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

FIXED DEPOSITS:

The Company being a Non Banking Financial Corporation (NBFC) has not accepted deposits and as such no amount on account of principal or interest on Public Deposits was outstanding as on the date of Balance Sheet.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Being a NBFC Company Section 186 of Companies Act, 2013 is not applicable to the Company.

The details of the investments made by company is given in the notes to the financial statements.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined by the Audit Committee in consultation with the Statutory Auditor of the Company. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board & to the Chairman & Managing Director.

Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

Your Company does not have the requisite Net Worth nor has it achieved the requisite turnover nor it has the requisite net profit for the year for triggering the implementation of “corporate social responsibility” (CSR) .

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION:

Your Company is a Non Banking Finance Company hence information regarding disclosure of conservation of energy is not applicable to it. However as a part of national interest it ensures that energy consumption is kept at minimum. There are no technology involved as the Company is a Non Banking Finance Company.

FOREIGN EXCHANGE EARNINGS AND OUT-GO :

During the period under review the Company has NIL foreign exchange earnings/foreign exchange out flow.

INDUSTRIAL RELATIONS:

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

DIRECTORS:

There was change in the composition of the Board during the financial year 2018-19.

Mr. Sagar Mal Nahata Resigned from the Directorship with effect from 2nd July, 2018 and also re-appointed with effect from 2nd May, 2019.

Based on the Confirmation received none of the Director of the Company is disqualified for appointment under the applicable provisions of the Companies Act , 2013 .

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and of the Listing Agreement and applicable regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act and Regulation 17 of the SEBI (LODR) Regulations, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the Board Committees. The evaluation process considered the effectiveness of the Board and the committees with special emphasis on the performance and functioning of the Board and the Committees. The evaluation of the Directors was based on the time spent by each of the Board Members, core competencies, expertise and contribution to the effectiveness and functioning of the Board and the Committees.

REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

MEETINGS

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year Six (6) Board Meetings and Four (4) Audit Committee & Four (4) Stakeholder Relationship Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

DIRECTOR'S RESPONSIBILITY STATEMENT:

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable

and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.

- iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The directors have prepared the annual accounts on a going concern basis.
- v) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

RELATED PARTY TRANSACTIONS:

All Related party transactions that were entered into during the financial year were on an arms length basis and in the ordinary course of business. There are no material significant related party transactions made by the Company during the year that would have required shareholder approval under applicable clauses and regulations of the Listing Agreement. All related party transactions are reported to the Audit Committee. Prior approval of the Audit Committee is obtained on a yearly basis for the transactions which are planned and/ or repetitive in nature and omnibus approvals are taken within limits laid down for unforeseen transactions. The disclosure under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is not applicable.

The details of the transactions with related parties during 2018-19 are provided in the accompanying financial statements.

None of the Directors had any pecuniary relationship or transactions with the Company during the year under review.

SUBSIDIARY COMPANIES:

The Company does not have any subsidiary.

CODE OF CONDUCT:

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings / behaviors of any form and the Board has laid down the directives to counter such acts. The code laid down by the Board is known as "code of business conduct" which forms an Appendix to the Code. The Code has been posted on the Company's website .

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behavior from an employee in a given situation and the reporting structure.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code. All Management Staff were given appropriate training in this regard.

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has a vigil mechanism to deal with instance of fraud and mismanagement, if any. In staying true to our values of Strength, Performance and Passion and in line with our vision of being the respected companies in Corporate World, the Company is committed to the high standards of Corporate Governance and stakeholder responsibility.

A high level Committee has been constituted which looks into the complaints raised. The Committee reports to the Audit Committee and the Board.

PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

AUDITOR'S REPORT/ SECRETARIAL AUDIT REPORT:

The observation made in the Auditors' Report read together with relevant notes thereon are self explanatory and hence, do not call for any further comments under Section 134 of the Companies Act, 2013.

As required under section 204 (1) of the Companies Act, 2013 the Company has obtained a secretarial audit report. Certain observations made in the report. However, the company would ensure in future that all the provisions are complied to the fullest extent.

AUDITORS:

M/s. A.Balasaria & Co. has appointed as Statutory Auditors of the Company for a period of 5 consecutive years from the conclusion of the Annual General Meeting to held in the year 2017 till the conclusion of the Annual General Meeting to be held in the year 2022.

SECRETARIAL AUDIT:

Pursuant to provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the company has appointed Anjali Misra of company Secretaries in practice to undertake the Secretarial Audit of the Company for the Financial Year 2018-19. The Secretarial Audit report is annexed herewith as "Annexure A"

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EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure B".

CHANGE IN NATURE OF BUSINESS, IF ANY:

There was no change in nature of business during the Financial Year 2018-19.

DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has implemented a prevention of sexual harassment policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (SHWWA). A Complaints desk has been set up to redress complaints received regarding sexual harassment and ongoing training is provided to employees as required by the SHWWA. During the financial year 2018-19 no complaint was received.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

No amount was due for the transfer to Investor Education & Protection Fund.

LISTING OF SHARES OF THE COMPANY

The equity shares of your Company continue to be listed with the Bombay Stock Exchange (BSE) Limited and the Calcutta Stock Exchange (CSE). The listing fees due have been paid to the respective stock exchanges.

PARTICULARS OF EMPLOYEES: (Rule 5(2) & Rule 5(1))

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered office of the company during business hours on working days of the company up to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the company secretary in advance.

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- a. The ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year**

NON EXECUTIVE DIRECTORS	RATIO TO MEDIAN REMUNERATION
Mr. Sandip Kumar Bej	--
Mr. Sujit Kumar Panja	--
Mrs. Anushri Pal	
EXECUTIVE DIRECTOR	
Mr. Sagarmal Nahata	1

- b. The Percentage increase in remuneration of each Director , chief executive officer , chief financial officer , company secretary in the company .**

Director , chief executive officer , chief financial officer and company secretary	% increase in remuneration in the financial year
There was an decrease in the remuneration of Managing Director by 48.72 % during the financial year.	

- c. The Percentage increase in the remuneration of employees in the financial year**

There was no increase in the remuneration of employees in the financial year 2018-2019

- d. The Number of permanent employees in the rolls of the Company other than KMP is 1. The Employees has joined the company during the FY 18-19 is still under probation period, they are not considered as the permanent employees for the FY 18-19.**

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- e. The explanation on the relationship between average increase in remuneration and company performances :

On an average the employees received an annual increase of 10% in India. The increase in remuneration will be in line with the market trend . In order to ensure that remuneration reflects company performance, the performance pay is also linked to organization performance, apart from an individual's performance.

- f. Comparison of remuneration of the key managerial personnel against the performance of the company

	Sagarmal Nahata (Managing Director)
REMUNERATION IN FY 18-19 (RS IN LACS)	4.00
REVENUE	16.88
REMUNERATION AS A % OF REVENUE	23.68
PROFIT BEFORE TAX (PBT) (RS IN LACS)	0.93
REMUNERATION AS % OF PBT	427.51

- g. Variation in the market capitalization of the Company , price earnings ratio as at the closing date of the current financial year and previous financial year

Financial Year	Market Capitalization	P/E Ratio
17-18	20.09 Cr	-
18-19	6.27 Cr	-

- h. Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate of previous financial year**

The Company Share has been decreased 31.20 % since the last financial year

- i. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration :**

There was no increase in the remuneration of employees in the financial year 2018-2019

- j. The key parameters for any variable component of remuneration availed by the Directors Apart from remuneration paid to the executive directors
No remuneration is paid to the non executive directors of the company .**
- k. The ratio of remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year**

NONE

- l. Affirmation that the remuneration is as per the remuneration policy of the company**

The Company affirms remuneration is as per the remuneration policy of the company.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORTS

The Corporate Governance and Management Discussion & Analysis Report, which form an integral part of this Report, are set out as separate Annexure, together with the Certificate from the auditors of the Company regarding compliance with

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the requirements of Corporate Governance as stipulated in SEBI (Listing Obligations and disclosure Requirement) Regulation, 2015

ACKNOWLEDGEMENTS:

Your Company and its Directors wish to extend their sincerest thanks to the Members of the Company, Bankers, State Government, Local Bodies, Customers, Suppliers, Executives, Staff and workers at all levels for their continuous cooperation and assistance.

30.05.2019

**For and on behalf of the
Board of Directors**

**ANNEXURE A TO BOARDS REPORT
SECRETARIAL AUDIT REPORT
For The Financial Year Ended On 31st March, 2019
(Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of
the Companies (Appointment and Remuneration Personnel) Rules, 2014)**