

SHARP

SHARP INDIA LIMITED

Registered Office & Factory
Gat.no. 686/4, Koregaon Bhima, Tal. Shirur
Dist. : Pune : Pin : 412 216
Phones : (02137) 670000/01/02
Fax : (02137) 252453
Website: www.sharpindialimited.com
CIN : L36759MH1985PLC036759
Email : nakagawasai.masahiko@sharp.co.jp

27/11/2023

To,

**Corporate Relationship Dept,
BSE Limited
25th Floor, P J Towers, Dalal Street,
Mumbai 400001**

Company Scrip Code: 523449

Subject: Outcome of Board meeting held on 27th November, 2023.

Dear Madam/Sir,

Pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform that Board of Directors, in its today's meeting held on **Monday, 27th November 2023** considered and approved the Audited Financial Results of the Company for the Quarter and Financial Year ended on 31st March 2023 which were reviewed by the audit committee.

Accordingly in terms of regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith –

- 1) Statement of Audited financial results for the year ended 31st March 2023.
- 2) Statutory Auditor Report on the Statement of Audited financial Results for the quarter and year ended 31st March 2023.
- 3) A Statement of Impact of Audit qualification for audited financial results for the quarter and financial year ended 31st March 2023.
- 4) Appointment of Mr. Srirang Mahabhwat as the Company Secretary and Compliance Officer of the Company w.e.f. 11th December, 2023.

The details pursuant to Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 read with SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 partially modified by the SEBI Circular dated SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023 is enclosed.

The meeting of Board of Directors commenced at 03:45 p.m. and concluded at 05:30 p.m.

Kindly acknowledge receipt of the same.

**Thanking you,
Yours faithfully,
For Sharp India Limited**

**Masahiko Nakagawasai
Managing Director**

**Encl. – 1) Statement of Audited Financial Results for Quarter and Year ended on 31st March 2023 along with Auditor's Report and Statement of Impact of Audit Qualification;
2) Appointment of Company Secretary of the Company**

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023

Sr. No.	Particulars	Rs. In lakhs				
		3 months ended March 31, 2023	3 months ended December 31, 2022	Corresponding 3 months ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
		(Refer Note 8)	(Refer Note 8)	(Refer Note 8)		
		Audited	Unaudited	Audited	Audited	Audited
I	Revenue from operations	-	-	3.75	2.63	11.58
II	Other income (net)	3.90	-	13.25	4.14	13.75
III	Total Income (I+II)	3.90	-	17.00	6.77	25.33
IV	Expenses					
a)	Employee benefit expense	133.42	144.30	142.21	576.42	585.47
b)	Depreciation, amortisation and impairment expense	4.04	4.00	3.88	15.97	16.78
c)	Other expenses	84.95	80.49	79.97	311.23	291.50
d)	Finance costs	184.37	174.77	142.64	677.95	602.40
	Total expenses (IV)	406.78	403.56	368.70	1,581.57	1,496.15
V	Loss before tax (III-IV)	(402.88)	(403.56)	(351.70)	(1,574.80)	(1,470.82)
VI	Tax expense					
(1)	Current tax	-	-	-	-	-
(2)	Deferred tax	-	-	-	-	-
VII	Loss for the period (V-VI)	(402.88)	(403.56)	(351.70)	(1,574.80)	(1,470.82)
VIII	Other comprehensive income (net of tax)	-	-	-	-	-
IX	Total comprehensive income for the period (VII+VIII)	(402.88)	(403.56)	(351.70)	(1,574.80)	(1,470.82)
X	Paid up equity share capital (Face Value per share Rs.10/- each)	2,594.40	2,594.40	2,594.40	2,594.40	2,594.40
XI	Loss per share (Rs.10/- each) Basic and diluted (Not annualized)	(1.55)	(1.56)	(1.36)	(6.07)	(5.67)
	See accompanying notes to the financial results					

Notes :-

- The above Statement has been reviewed by the Audit Committee and has been approved by the Board of Directors at meeting held on November 25, 2023.
- This Statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- The Company operates in only one segment i.e. 'consumer electronics'.



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SHARP INDIA LIMITED
REGISTERED OFFICE : GAT NO. 686/4, KOREGAON BHIMA
TALUKA - SHIRUR, DIST. PUNE - 412 216

Phone No. 02137- 670000/01/02, Fax No. 02137- 252453, Website: www.sharpindialimited.com
CIN: L36759MH1985PLC036759

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2023

- 4) During the quarter and year ended on March 31, 2023, the Company incurred a loss of Rs. 402.88 Lakhs and Rs. 1574.80 Lakhs respectively. The accumulated losses of the Company as at March 31, 2023 are Rs. 12,943.94 Lakhs. There is no production of LED TVs from April, 2015 and of Air Conditioners since June, 2015 onwards in the absence of any orders. Considering the same, there is a significant doubt whether the company would be able to continue as a going concern due to material uncertainties in respect of commencement of production and other operations pertaining to it, mobilisation of human and other resources, revival of sales and services, establishing supply chain and also on account of current economic scenario. However, the Company continues to receive financial and operational support from Sharp Corporation, Japan, the majority shareholder and holding company and as at March 31, 2023, the Company has received a support letter from Sharp Corporation, Japan for financial and operational support until March 31, 2024. Based on this continued support from the holding company, and the fact that the Company has entered into (i) Basic Services Agreement between Sharp Corporation and Sharp India Limited dated 3rd June 2021; (ii) Service Agreement between Sharp Business Systems (India) Private Limited and Sharp India Limited dated 1st June 2021 and as such the management is of the opinion that the Company will be able to continue as a going concern. However, taking into consideration the current economic scenario in India and Japan, the revival of the operations of the Company may take longer than anticipated earlier. Nevertheless, the recognition and measurement of assets (except freehold land) has been considered at lower of their carrying value or net realisable value and in the opinion of the management, no further adjustments would be required if going concern assumption is not considered as appropriate.
- 5) There was delay in submission of results of company for quarter and financial year ended March 31, 2022, quarter ended June 30, 2022, quarter and half year ended September 30, 2022, for the quarter and financial year ended March 31, 2023 and subsequent quarters. The letters stating reason for delay in submission of financial results as per SEBI Circular No. CIR/CFD/CMD-1/142/2018 dated November 19, 2018 and SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020 were submitted to stock exchange on 11 November 2022, 30 May 2023, 11 August 2023, 13 November 2023 and consequential penalty as levied, has been paid/provided by the Company. Due to non-compliance in respect of submission of quarterly results for two consecutive quarters i.e., March, 2022 and June 2022 and March 2023 and June 2023, in terms of SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/12 dated January 22, 2020, the company was placed by SEBI in Z group (Non-compliant Companies) during the period from 25th October 2022 to 26th December 2022 and 30th October 2023 onwards respectively. Further, entire shareholding of promoters has been frozen w.e.f. August 3, 2023.
- 6) The Company had executed Memorandum of Settlement dated 1st August 2014 between the Company and Kalyani Sharp Employees Union u/s 2 (p) read with section 18 (1) of the Industrial Disputes Act, 1947 and under Rule 62 of the Industrial Disputes (Bombay) Rules, 1957. Said settlement was effective from 1.09.2012 up to 31.03.2016. Further as per clause 53 of said settlement, the settlement shall further continue to remain in force and binding thereafter, unless and until amended or superseded by any other subsequent settlement as per the provisions of the Industrial Disputes Act, 1947. Accordingly, the company continues to pay the salaries and various allowances to the employees as per the terms of said Memorandum of Settlement.
- 7) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The draft rules for the Code on Social Security, 2020 have been released by the Ministry of Labour and Employment on November 13, 2020. The Company is in the process of assessing the additional impact on Provident Fund contributions and on Gratuity liability contributions and will complete their evaluation and give appropriate impact in the financial statements in the period in which the rules are notified and become effective.
- 8) The figures for the last quarter in each of the financial years are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the respective financial year.
- 9) Figures of the previous year/ period have been regrouped and/or reclassified wherever considered necessary.

For Sharp India Limited



Nakagawasai
Managing Director
DIN: 05274985

Place: Pune
Date : November 27, 2023

Statement of Assets and Liabilities

Particulars	Rs. In lakhs	
	As at March 31, 2023	As at March 31, 2022
ASSETS		
I. Non-current assets		
Property, plant and equipment	172.72	187.00
Intangible assets	0.53	0.06
Financial assets	-	-
(i) Other Financial Assets	5.58	8.28
Deferred tax assets	-	-
Other non-current assets	-	-
Total non-current assets	178.83	195.34
II. Current assets		
Inventories	-	-
Financial assets		
(i) Trade receivables	-	4.43
(ii) Cash and cash equivalents	79.53	193.31
(iii) Other financial assets	6.05	2.70
Other current assets	29.55	29.70
Current tax (net)	1.59	0.93
Total current assets	116.72	231.07
Total assets	295.55	426.41
EQUITY AND LIABILITIES		
EQUITY		
Equity share capital	2,594.40	2,594.40
Other equity	(10,797.45)	(9,262.94)
Total equity	(8,203.05)	(6,668.54)
LIABILITIES		
I. Non-current liabilities		
Financial liabilities		
(i) Borrowings	-	-
(ii) Other financial liabilities	-	-
Provisions	-	-
Total non-current liabilities	-	-
II. Current liabilities		
Financial liabilities		
(i) Borrowings	8,251.64	6,833.40
(ii) Trade payables	27.62	56.68
(iii) Other financial liabilities	51.35	52.91
Provisions	142.03	117.85
Other current liabilities	25.96	34.11
Total current liabilities	8,498.60	7,094.95
Total liabilities	8,498.60	7,094.95
Total equity and liabilities	295.55	426.41



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Statement of cash flows

Rs. In lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Cash flow from operating activities		
Profit/(Loss) before income tax	(1,574.80)	(1,470.82)
Adjustments for:		
Depreciation, amortisation and impairment expense	15.97	16.78
Liabilities no longer required written back	(0.35)	-
Interest income classified as investing cash flows	(0.24)	(0.28)
Gain on disposal of property, plant and equipment	(0.05)	-
Finance costs	677.95	602.40
Non-cash expense	34.80	-
Provisions no longer required written back	(3.50)	-
Changes in operating assets and liabilities		
(Increase)/Decrease in other current financial assets	0.61	0.74
(Increase)/Decrease in other current and non-current assets	(34.65)	(2.54)
(Increase)/Decrease in trade receivables	4.43	(4.43)
Increase/(Decrease) in trade payables	(29.06)	(0.55)
Increase/(Decrease) in other current financial liabilities	(1.56)	(0.43)
Increase/(Decrease) in other current liabilities	(8.15)	(52.39)
Increase/(Decrease) in provisions	26.98	(12.69)
Cash used in operations	(891.62)	(924.21)
Income tax (paid)/refund received	(0.66)	(0.58)
Net cash inflow/(outflow) from operating activities (A)	(892.28)	(924.79)
Cash flow from investing activities		
Proceeds from sale of property, plant and equipment	0.05	-
Payments for property, plant and equipment	(2.16)	-
Proceeds from repayment of security deposits	-	-
Interest received	0.24	0.28
Net cash inflow/(outflow) from investing activities (B)	(1.87)	0.28
Cash flow from financing activities		
Interest paid	(639.63)	(526.32)
Other interest paid	-	(1.59)
Proceeds from borrowings	1,420.00	1,460.00
Repayment of borrowings	-	-
Net cash inflow/(outflow) from financing activities (C)	780.37	932.09
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(113.78)	7.58
Cash and cash equivalents at the beginning of the financial year	193.31	185.73
Cash and cash equivalents at the end of the year	79.53	193.31



Independent Auditor's Report on audit of Quarterly and Annual Financial Results of Sharp India Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015

The Board of Directors
Sharp India Limited

Qualified Opinion

We have audited the accompanying Financial Results of Sharp India Limited (the "company") for the quarter and year ended on March 31, 2023 ("The Financial Results") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of matters described in Basis of Qualified Opinion section of our report, these financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India of the net losses, other comprehensive income and other financial information for the quarter and year ended March 31, 2023.

Basis for Qualified Opinion

We draw your attention to Note No. 4 to the financial results which states that the Company has ceased business operations from the financial year ended March 31, 2016 and incurred Net Loss of Rs. 402.88 Lakhs and Rs. 1574.80 Lakhs for the quarter and year ended March 31, 2023 respectively and accumulated losses aggregate to Rs. 12,943.94 Lakhs as of March 31, 2023. There is no production of LED TVs from April, 2015 and of Air Conditioners since June, 2015 onwards in the absence of any orders. There is a significant doubt whether the company would be able to continue as a going concern due to material uncertainties in respect of commencement of production and other operations pertaining to it, mobilisation of human and other resources, revival of sales and services, establishing supply chain and also on account of current economic scenario. However, the management considers the going concern assumption as appropriate in view of certain service agreements with group companies and continued financial and operational support from holding company; though it may take longer duration than anticipated for the revival of operations of the Company.

Significant time has been elapsed after cessation of the production activity and in the absence of Board approved business plan and scheme of revival, the impact on the financial results which have been prepared by the management under going concern assumption, cannot be ascertained.



We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Results 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 financial results under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter:

We draw attention to Note No. 5 to the financial results which states that there was delay in the submission of results of the Company for quarter and financial year ended March 31, 2022, quarter ended June 30, 2022, quarter and half year ended September 30, 2022, for the quarter and financial year ended March 31, 2023 and subsequent quarters. This also resulted in attracting the consequential penalty under SEBI Regulations and shifting of the scrip of the Company by stock exchange in Z group (non-compliant companies) and freezing the shareholding of the promoters.

Our opinion is not modified in respect of the above matter.

Management's Responsibilities for the Financial Results

These financial results have been prepared on the basis of the annual financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit / loss, other comprehensive income and other financial information of the company in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial results, the 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 Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an

audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial results.

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

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

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

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

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Other Matters:

The figures for the quarter and year ended March 31, 2022 have been considered from the qualified audit report dated November 23, 2022 issued by the erstwhile auditors, Price Waterhouse Chartered Accountants LLP (Firm Regn. No.: 0125754N/N500016) in terms of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

The financial results include the results for the quarter ended March 31, 2023 being the balancing figures between audited figures in respect of the full financial year ended March 31, 2023 and the published unaudited year to date figures up to the third quarter of the financial year, which were subject to limited review by us, as required under the listing regulations.

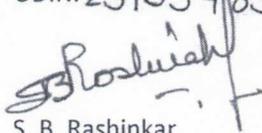
Our opinion is not modified in respect of the above matters.

For, G.D. Apte & Co.

Chartered Accountants

Firm Registration Number: 100515W

UDIN: 23103483BGYBPL6178


S. B. Rashinkar

Partner

Membership Number: 103483

Place: Pune

Date: November 27, 2023



Statement on Impact of Audit Qualifications for the Audited Financial Results for the Financial Year ended March 31, 2023.

[See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]

(Rs. in Lakhs)				
I.	Sl. No.	Particulars	Unaudited Figures (as reported before adjusting for qualifications)	Adjusted Figures (unaudited figures after adjusting for qualifications)
	1.	Turnover / Total Income (Including Other Income)	6.77	
	2.	Total Expenditure	1581.57	Based on prima facie assessment no material impact as the values of assets (except freehold land) and liabilities are close to their fair values.
	3.	Net Profit/(Loss)	(1574.80)	
	4.	Earnings Per Share (in Rs.)	(6.07)	
	5.	Total Assets	295.55	
	6.	Total Liabilities	8498.60	
	7.	Net Worth	(8203.05)	
	8.	Any other financial item(s)		
		- Current Borrowings & Other Current Liabilities	8277.60	
II. Audit Qualification (each audit qualification separately):				
	a.	Details of Audit Qualification: We draw your attention to Note No. 4 to the financial results which states that the Company has ceased business operations from the financial year ended March 31, 2016 and incurred Net Loss of Rs. 402.88 Lakhs and Rs. 1574.80 Lakhs for the quarter and year ended March 31, 2023 respectively and accumulated losses aggregate to Rs. 12,943.94 Lakhs as of March 31, 2023. There is no production of LED TVs from April, 2015 and of Air Conditioners since June, 2015 onwards in the absence of any orders. There is a significant doubt whether the company would be able to continue as a going concern due to material uncertainties in respect of commencement of production and other operations pertaining to it, mobilisation of human and other resources, revival of sales and services, establishing supply chain and also on account of current economic scenario. However, the management considers the going concern assumption as appropriate in view of certain service agreements with group companies and continued financial and operational support from holding company; though it may take longer duration than anticipated for the revival of operations of the Company. Significant time has been elapsed after cessation of the production activity and in the absence of Board approved business plan and scheme of revival, the impact on the financial results which have been prepared by the management under going concern assumption, cannot be ascertained.		
	b.	Type of Audit Qualification: Qualified Opinion		
	c.	Frequency of qualification: Eighth time		
	d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views Not applicable since the auditor has not quantified the impact in amount		



e.	For Audit Qualification(s) where the impact is not quantified by the auditor:
	<p>i) Management's estimation on the impact of audit qualification:</p> <p>During the period ended March 31, 2023, Company incurred a loss of Rs. 1,574.80 Lakhs and the accumulated loss as at March 31, 2023 is Rs. 12,943.94 Lakhs. There was no production of LED TVs from April, 2015 (except in August 2015) and of Air Conditioners since June, 2015 in the absence of any orders. The Company continues to receive financial and operational support from Sharp Corporation, Japan, the majority shareholder and holding company.</p> <p>The support letter has been received as at 31st March 2023, from Sharp Corporation, Japan for financial and operational support until 31st March 2024. Sharp Corporation, Japan is a group company of Hon Hai/Foxconn Group, one of the world's largest contract electronics manufacturer.</p> <p>Based on this continued support from the holding company, and the fact that the Company has entered into (i) Basic Services Agreement with Sharp Corporation dated 3rd June 2021; (ii) Service Agreement with Sharp Business Systems (India) Private Limited dated 1st June 2021; and (iii) the Individual Contract for Services No. 1 with Sharp Business Systems (India) Private Limited dated 1st June 2021 for the revival of business operations, the management is of the opinion that the Company will be able to continue as a going concern.</p> <p>Further, the management based on prima facie assessment, is of the opinion that the values of the assets (except freehold land) and liabilities disclosed in the financial statements are close to their fair value and no material impact would possibly be there on financial statements if actual exercise of fair valuation is undertaken.</p> <p>In accordance with the BASIC SERVICE AGREEMENT executed between Sharp Corporation (SC) and the Company on 3rd June 2021, SC intend to expand the business scope of Smart Appliances & Solutions Business Unit in India and expect the Company to provide and the Company is willing to provide activities and services relating to the following activities.</p> <ol style="list-style-type: none"> (1) to support to conduct a factory audit for any applicable products (2) to conduct a survey of local dealers, service providers and users in India (3) to analyze the competitive products and the cost thereof and report such result (4) to manufacture and provide the preproduction prototype of the new products (5) to support the mass-production of the new products (6) other activities and services to cooperate business development of Smart Appliances & Solutions Business Unit of SC separately agreed upon by the Parties <p>The work on Individual Contract for Services No. 1 between Sharp Business Systems (India) Private Limited and Sharp India Limited dated 1st June 2021 has generated certain revenue during the financial year ended March 31, 2023.</p> <p>Further during the period 2021-22 Sharp Corporation, promoter and holding Company has attempted to acquire public shareholding and consequently voluntarily delist from stock exchange. The resolution put up for shareholder approval through postal ballot resolution was not carried out with requisite majority as declared in its voting result 28th October 2021.</p>
	<p>ii) If management is unable to estimate the impact, reasons for the same:</p> <p>i) Management's estimation on the impact of audit qualification:</p> <p>During the period ended March 31, 2023, Company incurred a loss of Rs. 1,574.80 Lakhs and the accumulated loss as at March 31, 2023 is Rs. 12,943.94 Lakhs. There was no production of LED TVs from April, 2015 (except in August 2015) and of Air Conditioners since June, 2015 in</p>



the absence of any orders. The Company continues to receive financial and operational support from Sharp Corporation, Japan, the majority shareholder and holding company.

The support letter has been received as at 31st March 2023, from Sharp Corporation, Japan for financial and operational support until 31st March 2024. Sharp Corporation, Japan is a group company of Hon Hai/Foxconn Group, one of the world's largest contract electronics manufacturer.

Based on this continued support from the holding company, and the fact that the Company has entered into (i) Basic Services Agreement with Sharp Corporation dated 3rd June 2021; (ii) Service Agreement with Sharp Business Systems (India) Private Limited dated 1st June 2021; and (iii) the Individual Contract for Services No. 1 with Sharp Business Systems (India) Private Limited dated 1st June 2021 for the revival of business operations, the management is of the opinion that the Company will be able to continue as a going concern.

Further, the management based on prima facie assessment, is of the opinion that the values of the assets (except freehold land) and liabilities disclosed in the financial statements are close to their fair value and no material impact would possibly be there on financial statements if actual exercise of fair valuation is undertaken.

In accordance with the BASIC SERVICE AGREEMENT executed between Sharp Corporation (SC) and the Company on 3rd June 2021, SC intend to expand the business scope of Smart Appliances & Solutions Business Unit in India and expect the Company to provide and the Company is willing to provide activities and services relating to the following activities.

- (1) to support to conduct a factory audit for any applicable products
- (2) to conduct a survey of local dealers, service providers and users in India
- (3) to analyze the competitive products and the cost thereof and report such result
- (4) to manufacture and provide the preproduction prototype of the new products
- (5) to support the mass-production of the new products
- (6) other activities and services to cooperate business development of Smart Appliances & Solutions Business Unit of SC separately agreed upon by the Parties

The work on Individual Contract for Services No. 1 between Sharp Business Systems (India) Private Limited and Sharp India Limited dated 1st June 2021 has generated certain revenue during the financial year ended March 31, 2023.

Further during the period the Sharp Corporation, promoter and holding Company has attempted to acquire public shareholding and consequently voluntarily delist from stock exchange. The resolution put up for shareholder approval through postal ballot resolution was not carried out with requisite majority as declared in its voting result 28th October 2021.

iii) Auditors' Comments on (i) or (ii) above:
Refer qualification above

III. Signatories

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Masahiko Nakagawasai
(Managing Director)
DIN: 05274985
Place: Pune
Date: 27/11/2023

Bhumika Batra

Bhumika Batra
(Audit Committee Chairperson)
DIN: 03502004
Place: Pune
Date: 27/11/2023



AUDITORS

Refer our Independent Auditors' Report dated 27th November 2023 on Financial Results of the Company.

For G.D. Apte & Co.,
Chartered Accountants
Firm Registration No. 100515W

S.B. Rashinkar



S.B. Rashinkar
Membership Number: 103483

Place: Pune

Date: 27/11/2023

Appointment of Mr. Srirang Mahabagwat as Company Secretary and Compliance Officer of Company

Sr. No	Particulars	Company Remark
1.	Reason for change	Mr. Srirang Mahabagwat is being appointed as Company Secretary and Compliance Officer of the Company
2.	Date of appointment Term of appointment	11 th December, 2023
3.	Date of cessation	NA
4.	Brief Profile	Mr. Srirang Mahabagwat is a member of the Institute of Company Secretaries of India (Membership No. A28750) with over 11 years of experience, possess strong knowledge of Corporate Secretarial Operations, Strategic Due Diligence, Foreign Investments, Contracts & Agreements, Company Affairs & Corporate Services.
5.	Disclosure of relationship with Directors	Not related to any of the Directors of the Company