

**34th Annual Report  
2018-2019**

**SHARP**

**SHARP INDIA LIMITED**

**BOARD OF DIRECTORS**

NAOKI HATAYAMA  
[Managing Director]

SEIJI HAYAKAYA  
(Non-executive Director)

PRASHANT ASHER  
(Independent Director)

BHUMIKA BATRA  
(Independent Director)

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**BANKERS**

BANK OF INDIA  
MUFG BANK LTD.  
THE MIZUHO BANK LTD.  
CITIBANK N.A.

**SOLICITORS & ADVOCATES**

CRAWFORD BAYLEY & CO., MUMBAI.

**AUDITORS**

M/S. PRICE WATERHOUSE CHARTERED  
ACCOUNTANTS LLP, CHARTERED ACCOUNTANTS.

**REGISTERED OFFICE & FACTORY**

Gat No.686/4, Koregaon Bhima,  
Tal. Shirur, Dist. Pune 412 216  
Phone No. (02137) - 252417

**REGISTRARS & TRANSFER AGENTS**

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

Phone No. (020) - 26161629

## SHARP INDIA LIMITED

Registered Office :

Gat No.686/4, Koregaon Bhima, Taluka : Shirur, Dist: Pune- 412216

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

Website : www.sharpindialimited.com

CIN : L36759MH1985PLC036759

## NOTICE

Notice is hereby given that the 34th Annual General Meeting of the members of Sharp India Limited will be held at the Registered Office of the Company situated at Gat No. 686/4, Koregaon Bhima, Taluka Shirur, District Pune 412 216 on Wednesday 25th September 2019 at 12:00 Noon (I.S.T.) to transact the following business:

## ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on 31st March 2019 and the Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Mr. Seiji Hayakawa (DIN no.07962281) who retires by rotation and being eligible, offers himself for re-appointment.

**"RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Seiji Hayakawa (DIN: 07962281), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

## SPECIAL BUSINESS:

3. To re-appoint Mr. Prashant Asher (DIN:00274409) as an Independent Director and in this regard, pass the following resolution as a **SPECIAL RESOLUTION**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Prashant Asher (DIN: 00274409), who was appointed as an Independent Director and who holds office of Independent Director up to 10<sup>th</sup> November 2019 and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years effective from 11<sup>th</sup> November 2019 to 10<sup>th</sup> November 2024 on the Board of the Company.

4. To re-appoint Ms. Bhumika Batra (DIN: 03502004) as an Independent Director and in this regard, pass the following resolution as a **SPECIAL RESOLUTION**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Ms. Bhumika Batra (DIN: 03502004), who was appointed as an Independent Director and who holds office of Independent Director up to 10<sup>th</sup> November 2019 and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years

effective from 11<sup>th</sup> November 2019 to 10<sup>th</sup> November 2024 on the Board of the Company.

5. To consider, and if deemed fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:

## To Approve the Material Related Party Transactions:

**"RESOLVED THAT** pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and subject to such other approvals, consents, sanctions and permissions of any authorities as may be necessary, the members of the Company hereby approve the material related party arrangements or transactions as detailed below entered / to be entered into during the financial year 2019 – 2020 with authority to the Audit Committee and the Board of Directors of the Company to authorize the Management of the Company to enter into the aforesaid material related party arrangements or transactions upon the principal terms mentioned in the Explanatory Statement annexed hereto.

- 1) Reimbursement of expenses paid/ received, repayment /rollover of ECB Loan or any other activity relating to ECB loan, payment of Interest on loan and any other transaction totally amounting to Rs.3000.00 lacs with Sharp Corporation, Japan,
- 2) Repayment/ Rollover of Unsecured Loan, any other activity relating to Unsecured loan, payment of Interest and any other transaction totally amounting to Rs.700 lacs with Sharp Software Development India Private Limited.
- 3) Obtaining working Capital loans, secured or unsecured, short term or long term, payment of interest on such loans acquired, repayment of the loans, roll over of the loan, extension of time for repayment of the loan, totally amounting to Rs. 3000.00 lacs from Sharp Corporation, Japan and its subsidiaries in India or abroad and reimbursement of expenses paid/received upto Rs 200 Lacs from subsidiaries in India or abroad of Sharp Corporation, Japan.

**RESOLVED FURTHER THAT** the Board of Directors (including a Committee thereof) be and is hereby authorized to negotiate and finalize other terms and conditions and to do all such acts, deeds, matters and things and to execute or authorize any person to execute all such documents, instruments and writings as may be considered necessary, relevant, usual, customary and/ or expedient to give effect to this resolution."

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

**"RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the Company be and is hereby accorded for payment of remuneration of Rs. 40,000/- (Rs.Forty thousand only) plus out of pocket expenses, if any, for the financial year ending on March 31, 2020 to M/s. C.S.Adawadkar & Co, Practicing Cost Accountants, (Firm Registration No.100401) who are appointed as the Cost Auditors of the Company by the Board of Directors to conduct the audit of the cost records of the Company for the financial ending on 31<sup>st</sup> March 2020."

By Order of the Board of Directors  
For Sharp India Limited

Date : August 12, 2019  
Place : Pune

Chandranil Belvalkar  
Company Secretary  
Membership No.ACS-24015

## NOTES:

1. The Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 in respect of the special business under Item Nos. 3 to 6 above is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIM AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Proxy Form (Form MGT-11) is attached elsewhere in this report. Kindly fill up appropriate details like your name, address, Folio No./ DPID & Client ID, and the details of the person(s) to be appointed as the proxy – name, address, email ID etc. The proxy form should be signed by the shareholder and the proxy holder and a revenue stamp should be affixed at the place provided for the same. Proxies, in order to be effective, must be received at the Company's Registered Office not less than 48 hours before the meeting. Proxies submitted on behalf of companies, societies, partnership firms, etc. must be supported by appropriate resolution/ authority, as applicable, issued on behalf of the nominating organization. Members are requested to note that a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
3. A statement giving details of the Directors to be newly appointed or re-appointed is annexed herewith as required under SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015.
4. Members are requested to notify any change of address to their Depository Participants (DPs) in respect of their electronic share accounts and to the Registrars & Transfer Agents, Link Intime India Private Limited 202, 2nd Floor, Akshay Complex, Off Dhole Patil Road, Near Ganesh Mandir, Pune 411 001, in respect of their physical share folios.
5. Members can avail of nomination facility. Blank Nomination forms will be supplied on request.
6. Members who are holding shares in more than one folio under name(s) in the same order are requested to send the relative share certificates to the Registrar and Transfer Agents for consolidation of the entire holding in one folio. The share certificates after consolidation will be returned by registered post/courier.
7. The Share Transfer Books and the Register of Members of the Company will remain closed from Thursday 19<sup>th</sup> September 2019 to Wednesday, 25<sup>th</sup> September 2019 (both days inclusive).
8. Members are requested to bring along with them a copy of the Annual Report as the same will not be distributed in the meeting.
9. Members are requested to forward their queries on accounts atleast 10 days in advance to enable us to reply the same.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN details to their respective Depository Participants. Members holding shares in physical form are requested to submit their PAN details to the Company or its Share Registrars and Transfer Agents.
11. Relevant documents referred to in the accompanying notice and the statement are open for inspection by the members at the registered office of the Company during the business hours on all the working days up to the date of 34<sup>th</sup> annual general meeting.
12. In view of the 'Green Initiative' introduced by the Ministry of Corporate Affairs all the members who are holding shares of the Company in PHYSICAL Mode are requested to register their Email ID with the Company, so as to enable the Company to send all notices, /reports/ intimations and other correspondence etc. through Emails. i.e. in the electronic mode instead of receiving physical copies of the same. Members holding shares in DEMAT Mode, who have not registered their e-mail ID with the Depository Participant (DP) are also requested to register or update their email ID with the Depository Participant, so that all future shareholder's correspondence can be sent to the email ID registered with your DP.
13. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents Link Intime India Private Limited for assistance in this regard.
14. In compliance with the provisions of section 108 of the Companies Act, 2013, read with Rule 20 of The Companies (Management and Administration) Rules, 2014, and regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to the Members the facility to exercise their right to vote at the 34<sup>th</sup> Annual General Meeting (AGM) by electronic means (Remote E- Voting Facility) and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL). The instructions for members for voting electronically are as under:-
 

**The instructions for shareholders voting electronically are as under:**

  - (i) The voting period begins on Sunday, 22<sup>nd</sup> September 2019 at 09:00 a.m. and ends on Tuesday, 24<sup>th</sup> September 2019 at 05:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, i.e. Wednesday, 18<sup>th</sup> September 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter
  - (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - (iii) Click on Shareholders.
  - (iv) Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - (v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

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

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

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

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

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

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

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

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

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

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

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click

on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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

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

- Facility of voting through Poll paper shall be made available at the 34<sup>th</sup> Annual General Meeting. Members attending the Meeting, who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the 34<sup>th</sup> Annual General Meeting.
- Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to vote again at the AGM.
- Mr. Sridhar G. Mudaliar, Partner of M/s. SVD & Associates, Company Secretaries has been appointed as the Scrutinizer for scrutinizing the e-voting & poll process in a fair and transparent manner.
- The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than three days of conclusion of the meeting a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.

V. The results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of CDSL and also will be communicated to the BSE Limited (BSE), where the shares of the Company are listed.

15. Route Map of the venue of the 34<sup>th</sup> Annual General Meeting is provided to you at the end of this notice to make it convenient to you to attend the 34<sup>th</sup> Annual General Meeting.

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

##### **ITEM NO.3 & 4:**

Mr. Prashant Asher (DIN: 00274409 ) and Ms. Bhumika Batra (DIN: 03502004) were appointed as Independent Directors on the Board of the Company pursuant to the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014. They hold office as Independent Directors of the Company upto 10th November 2019. The Nomination and Remuneration Committee of Board of Directors on the basis of the report of performance evaluation of Independent Directors, has recommended re appointment of Mr. Prashant Asher and Ms. Bhumika Batra as Independent Directors for a second term of 5 (five) consecutive years on the Board of the Company.

The Board, based on the performance evaluation of Independent Directors and as per the recommendation of Nomination and Remuneration Committee, considers that, given their background and experience and contributions made by them during their tenure the continued association of Mr. Prashant Asher and Ms. Bhumika Batra would be beneficial to Company and it is desirable to continue to avail their services as Independent Directors. Accordingly it is proposed to re-appoint Mr. Prashant Asher and Ms. Bhumika Batra as Independent Directors of Company, not liable to retire by rotation and to hold the office for a second term of 5 (five) years on the Board of Company.

Section 149 of the Act and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") inter alia prescribe that an independent director of a company shall meet the criteria of independence as provided in Section 149(6) of the Act.

Section 149(10) of the Act provides that an independent director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the company and disclosure of such appointment in its Board's report. Section 149(11) provides that an independent director may hold office for up to two consecutive terms.

Disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India are set out in the Annexure to the Explanatory Statement.

Mr. Prashant Asher and Ms. Bhumika Batra are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

The Company has received notices in writing from a member under Section 160 of the Act proposing the candidature of Mr. Prashant Asher and Ms. Bhumika Batra for the office of Independent Directors of Company.

The Company has also received declarations from Mr. Prashant Asher and Ms. Bhumika Batra that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Listing Regulations.

In the opinion of the Board, Mr. Prashant Asher and Ms. Bhumika Batra fulfil the conditions for appointment as Independent Directors as specified in the Act and the Listing Regulations. Mr. Prashant Asher and Ms. Bhumika Batra are independent of the management.

Details of Directors whose re-appointment as Independent Directors is proposed at Item Nos.3 and 4, are provided in the "Annexure" to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Copy of draft letters of appointment of Mr. Prashant Asher and Ms. Bhumika Batra setting out the terms and conditions of appointment are available for inspection by the members at the registered office of the Company.

Mr. Prashant Asher and Ms. Bhumika Batra are interested in the resolutions set out respectively at Item Nos. 3 and 4 of the Notice with regard to their respective re-appointments. Their relatives may be deemed to be interested in the respective resolutions to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends the Special Resolutions set out at Item No 3 and 4 of the notice for approval of Members.

##### **ITEM No.5:**

As per Regulation 23 of the Listing Regulations, all material related party transactions, that is to say, transactions by a listed entity with a related party if entered individually or taken together with previous transactions during a financial year, exceeding 10 per cent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, shall require approval of the members by an ordinary resolution.

Sharp Corporation (SC) Japan and its subsidiary companies are related parties, with reference to the Company within the meaning of sub-section (76) of section 2 of the Companies Act, 2013 and Regulation 2 (1) (zb) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

Your company has availed ECB Loan of Rs.1584.11 lacs from Sharp Corporation Japan and Inter corporate Loan of Rs. 585.00 lacs from Sharp Software Development India Private Limited (SSDI) for capital expenditure. As per the loan agreement the ECB loan from Sharp Corporation and Inter Corporate Loan from SSDI of Rs 300 Lacs will be due for Repayment in the financial year 2019-20.

Your Company continues to rely on SC Japan for necessary financial and operational support. Considering the current situation for meeting the day today expenses in the financial year 2019-20, your company will need financial support from Sharp Corporation Japan and its subsidiaries.

The particulars of transaction proposed to be entered between your company and Sharp Corporation and its subsidiary companies are as follows.

Name of the Related Party	Nature of Transactions	Estimated Value (Rs. in Lacs)	Period
Sharp Corporation - Japan	Reimbursement of expenses received /paid, repayment and any other activity relating to ECB Loan, payment of interest on ECB Loan and other transactions. Interest on ECB Loan and other transactions.	Rs. 3000.00	1.4.2019 to 31.3.2020
Sharp Software Development India Private Limited	Repayment/ Rollover of Unsecured Loan , payment of Interest as per the terms of loan agreement and any other transaction relating to the loan.	Rs. 700.00	1.4.2019 to 31.3.2020
Sharp Corporation, Japan and its subsidiary companies located in India or abroad	availing loans, secured or unsecured, short term or long term, and other related transactions.	Rs. 3000.00	1.4.2019 to 31.3.2020
Subsidiaries of Sharp Corporation, Japan in India and abroad	reimbursement of expenses paid/received.	Rs. 200.00	1.4.2019 to 31.3.2020

As per the estimates, the above transactions would qualify as material related party transactions as they are likely to exceed 10% of the annual turnover of the Company for the financial year 2019-2020.

**Other information:**

- 1) Name of the Related Party and relationship : As stated above
- 2) Name of the Directors / Key managerial Personnel who is related, if any. Currently Mr. Naoki Hatayama- Managing Director and Mr. Seiji Hayakawa is nominated by Sharp Corporation, Japan on the Board of Sharp India Limited. Mr. Naoki Hatayama & Mr. Seiji Hayakawa nominated by Sharp Corporation, Japan is related party.
- 3) Duration– as stated in the resolution.
- 4) Monetary value: Estimated Annual values as mentioned in the resolution
- 5) Nature, material terms and particulars of the arrangement: As stated above
- 6) Any other information relevant or important for the Members to make a decision on the proposed transaction: None.

Member's approval is sought for the aforesaid material related party transactions entered/ to be entered in the financial year 2019-2020.

Except for Mr. Naoki Hatayama and Mr. Seiji Hayakawa, none of the Directors or Key Managerial Personnel of the Company or

their relatives are, in any way, concerned or interested financially or otherwise, in the resolution set out at Item No.5 of this Notice.

Directors recommend the resolution at Item No. 5 for the acceptance by the Members of the Company.

**Item No. 6 :**

Cost Audit is applicable to your company for the financial year 2019-2020. The Board of Directors on the recommendation of the Audit Committee have appointed M/s. C. S. Adawadkar & Co., Practicing Cost Accountant as the 'Cost Auditor' of the Company for the financial year ending 31<sup>st</sup> March 2020 to audit the cost records of the Company. As per section 148 (3) of the Companies Act, 2013, read with Rule no.14 of the Companies (Audit & Auditors) Rules 2014 the remuneration payable to the 'Cost Auditor' requires to be ratified by the members of the Company. Accordingly members are requested to ratify the remuneration payable to the 'Cost Auditor' for the financial year ending 31<sup>st</sup> March 2020 as set out in the resolution for the aforesaid services to be rendered by them.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution. The Board recommend the resolution for acceptance by the members.

**PURSUANT TO REGULATION 36 OF THE LISTING REGULATIONS AND SECRETARIAL STANDARD-2 ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA, INFORMATION ABOUT DIRECTORS RETITING BY ROTATION/ SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING :**

Particulars	Mr. Seiji Hayakawa	Mr. Prashant Asher	Ms. Bhumika Batra
Age, Qualification and Experience/brief resume	He is aged about 58 years and is educated from Aoyama Gakuin University, Japan. He has held various positions in Sharp Group of Companies	He is aged about 53 and is a qualified Advocate and Partner at M/s. Crawford Bayley & Co Advocates & Solicitors since the year 1995.	She is aged about 37 and is a qualified Advocate and Company Secretary. She had received scholarship from London School of Economics for Masters in Law and is Partner at M/s. Crawford Bayley & Co., Advocates & Solicitors since 1st May 2005.
Terms and Conditions of re- appointment	As per the resolution at item no 2 of notice conveying Annual General Meeting on September 25, 2019, Mr. Seiji Hayakawa is proposed to be appointed.	As per the resolution at item no. 3 of the Notice convening Annual General Meeting on September 25, 2019 read with explanatory statement there to.	As per the resolution at item no. 4 of the Notice convening Annual General Meeting on September 25, 2019 read with explanatory statement there to.
Remuneration last drawn (including sitting fees, if any)	NIL	Refer to Report on Corporate Governance	Refer to Report on Corporate Governance
Remuneration sought to be paid	NIL	Sitting fees for attending each meeting of Board/Committees as may be decided by Board of Directors of the Company within the limits prescribed under Companies Act, 2013.	Sitting fees for attending each meeting of Board/Committees as may be decided by Board of Directors of the Company within the limits prescribed under Companies Act, 2013.
Date of first appointment on Board	11 <sup>th</sup> November 2017	11 <sup>th</sup> November 2014	11 <sup>th</sup> November 2014
Shareholding in Company as on 31st March 2019	Nil	Nil	Nil
Relation with any Director/ other Key Managerial Personnel of the Company	Not related to any Director/Key Managerial Personnel of the Company	Not related to any Director/Key Managerial Personnel of the Company	Not related to any Director/Key Managerial Personnel of the Company
Number of meetings of the Board attended during the year	1	5	5
Directorships of other Boards as on March 31, 2019	<ul style="list-style-type: none"> <li>• Sharp Singapore Electronics Corporation Pte, Ltd</li> <li>• Dynabook Singapore PTE LTD</li> </ul>	<ul style="list-style-type: none"> <li>• Elof Hannson (India) Ltd</li> <li>• ICC International Agencies Limited</li> <li>• Hinduja Ventures Limited</li> <li>• Hinduja Group Limited</li> <li>• Hinduja Realty Ventures Limited</li> <li>• Hinduja Energy India Limited</li> <li>• Indusind Media and Communications Limited</li> <li>• Hinduja National Power Corporation Limited</li> <li>• Hind Filters Limited</li> </ul>	<ul style="list-style-type: none"> <li>• Repro India Limited</li> <li>• Hinduja Ventures Limited</li> <li>• Patel Integrated Logistics Limited (CN)</li> <li>• Kesar Enterprises Limited</li> <li>• Jyothy Laboratories Ltd</li> <li>• Kancor Ingredients Limited</li> <li>• Hinduja Housing Finance Limited</li> <li>• Hinduja Tech Limited</li> <li>• One OTT Entertainment Ltd</li> </ul>
Membership / Chairmanship of Committees of other Boards as on March 31, 2019.	—	<b>Hinduja Ventures Limited -</b> <ul style="list-style-type: none"> <li>• Stakeholder Relationship Committee -Member</li> <li>• Nomination and Remuneration Committee- Member</li> <li>• Corporate Social Responsibility Committee – Member</li> </ul>	<b>a) Repro India Limited -</b> <ul style="list-style-type: none"> <li>• Stakeholder Relationship Committee - Member</li> <li>• Nomination and Remuneration Committee - Member</li> </ul>

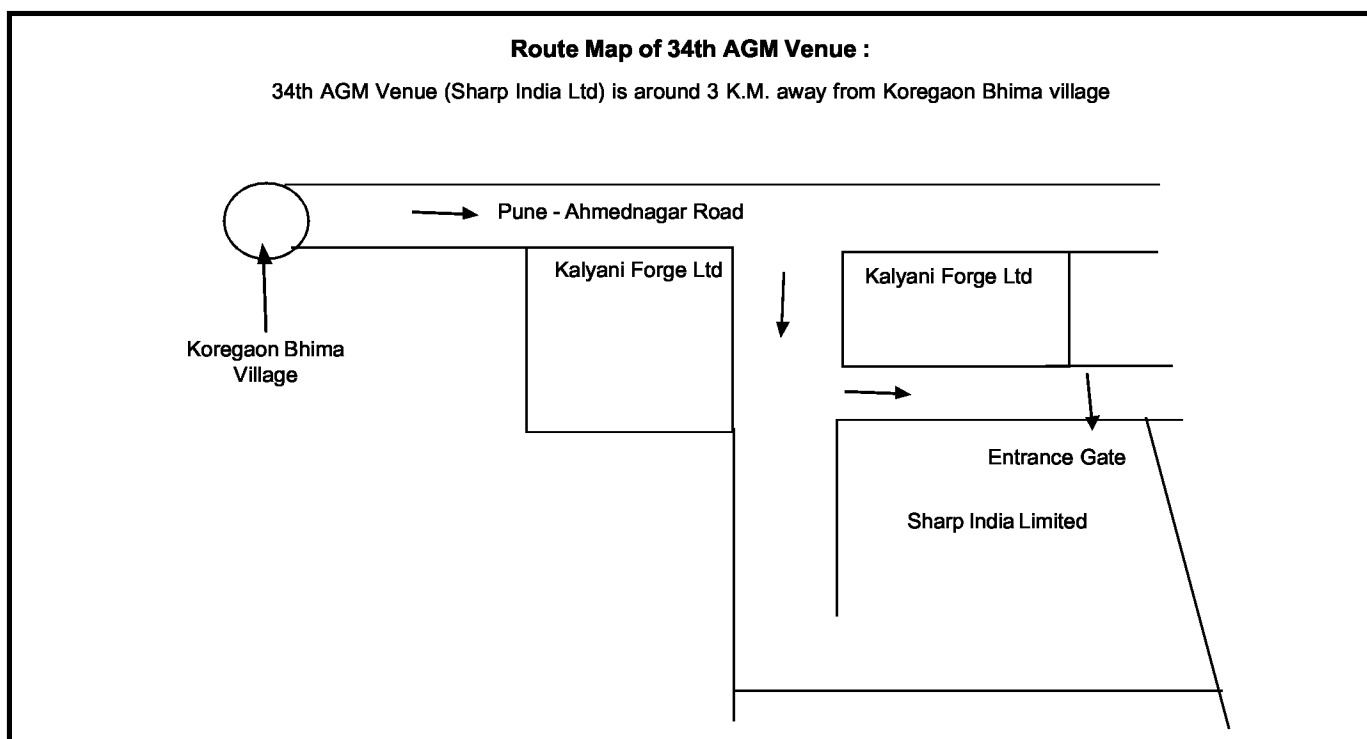


Particulars	Mr. Seiji Hayakawa	Mr. Prashant Asher	Ms. Bhumika Batra
—	—	—	<b>b) Kancor Ingredients Limited</b> <ul style="list-style-type: none"> <li>• Audit Committee- Member</li> <li>• Nomination and Remuneration Committee- Member</li> <li>• Corporate Social Responsibility Committee – Member</li> </ul> <b>c) Hinduja Housing Finance Limited</b> <ul style="list-style-type: none"> <li>• Audit Committee Member</li> </ul> <b>d) Hinduja Ventures Ltd</b> <ul style="list-style-type: none"> <li>• Stakeholder Relationship Committee – Chairman</li> </ul> <b>e) OneOTT Entertainment Limited</b> <ul style="list-style-type: none"> <li>• Audit Committee - Member</li> </ul> <b>f) Jyothy Laboratories Limited</b> <ul style="list-style-type: none"> <li>• Audit Committee - Member</li> <li>• Nomination and Remuneration Committee- Member</li> </ul>

By Order of the Board of Directors  
For Sharp India Limited

Date : August 12, 2019  
Place : Koregaon Bhima

Chandranil Belvalkar  
Company Secretary  
Membership No.ACS-24015



**DIRECTORS' REPORT**

To

The Members,

Your Directors have pleasure in presenting their Thirty Fourth Report together with the Audited Financial Statement of Accounts for the year ended on March 31, 2019.

**1. FINANCIAL RESULTS**

Rs. In Lacs

	Year ended March 31, 2019	Year ended March 31, 2018
<b>INCOME</b>		
Sales and Services (Gross)	<b>35.94</b>	164.06
Less : Excise Duty	-	(0.74)
Sales and Service income (Net)	<b>35.94</b>	163.32
Other Income	<b>15.42</b>	119.29
<b>Total Income</b>	<b>51.36</b>	282.61
<b>EXPENDITURE</b>		
Manufacturing and other expenses	<b>919.22</b>	944.26
Depreciation	<b>159.98</b>	163.79
Financial expense	<b>208.99</b>	140.82
<b>Total Expenses</b>	<b>1,288.19</b>	1248.87
<b>PROFIT BEFORE TAX</b>	<b>(1,236.83)</b>	(965.52)
<b>PROVISION FOR TAX</b>	<b>0.00</b>	0.00
<b>NET PROFIT/(LOSS) FOR THE YEAR</b>	<b>(1,236.83)</b>	(965.52)
<b>PROFIT AND LOSS ACCOUNT,</b> beginning of the year	<b>(5,413.41)</b>	(4,447.89)
<b>PROFIT AND LOSS ACCOUNT,</b> end of the year	<b>(6,650.24)</b>	(5,413.41)

**2. PERFORMANCE & OPERATIONS:**

Gross Revenue from operations during the year under review was Rs. 51.36 Lacs. The net loss of the company for the fiscal year 2018- 2019 is Rs. 1,236.83 Lacs. There was no production of LED TVs since April 2015 (Except in the month of August 2015) and of Air conditioners since June 2015 in the absence of any orders. During the period under review there was no change in the nature of business carried on by Company.

**3. MANAGEMENT DISCUSSION ANALYSIS AND CORPORATE GOVERNANCE:**

The Management Discussion Analysis and the report on Corporate Governance are attached to the Directors' Report and form parts of this Annual Report

The Company is committed to achieving and adhering to the highest standards of Corporate governance and it constantly

benchmark itself with best practices in this regards. A report on corporate governance for financial year 2019-20 along with a certificate issued by the Company Secretary in whole time practice confirming compliance with the mandatory requirements as stipulated in chapter IV of the listing regulations, forms part of this report.

**4. INDUSTRIAL RELATIONS:**

Industrial Relations have been and continue to be harmonious and cordial.

**5. AUDITORS:****i) Statutory Auditors:**

The Board of Directors based on the recommendations of the Audit Committee in the meeting held on 9<sup>th</sup> August 2017, has appointed M/s Price Waterhouse Chartered Accountants LLP, as the Statutory Auditors of the Company for a period of five years from the conclusion of 32<sup>nd</sup> annual general meeting till the conclusion of 37<sup>th</sup> annual general meeting of the Company. The provision for ratification of appointment of statutory auditors is omitted under the Companies amendment Act 2017 notified on 7<sup>th</sup> May 2018. Accordingly no resolution is being proposed for ratification of appointment of Statutory Auditors at the ensuing Annual General Meeting.

**ii) Cost Auditors:**

The Board of Directors has appointed M/s. C. S. Adawadkar & Co., Practicing Cost Accountant, as the Cost Auditor for the financial year ended on 31<sup>st</sup> March, 2019 upon recommendation of the Audit Committee. M/s. C. S. Adawadkar & Co., Cost Accountant will submit the cost audit report along with annexure to the Central Government (Ministry of Corporate Affairs) in the prescribed form within specified time and at the same time forward a copy of such report to your company.

The Board of Directors have appointed M/s. C. S. Adawadkar & Co. Practicing Cost Accountant, to conduct the Cost Audit of the Company for the financial year ending on 31<sup>st</sup> March, 2020 upon recommendation of the Audit Committee. The Remuneration payable to the Cost Auditors for the financial year 2019-2020 requires ratification by the members of the Company. The same is put before the members of the company for their consideration and approval.

**iii) Secretarial Auditors:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company appointed M/s. SVD & Associates, Practicing Company Secretaries as the 'Secretarial Auditors' of the company for the financial year 2018-2019.

The Secretarial Audit Report given by M/s. SVD & Associates, Practicing Company Secretaries for the financial year 2018-2019 is annexed as **Annexure - C**.