



# SHARAT INDUSTRIES LIMITED

CIN - L05005AP1990PLC011276

Regd. Off. : Feed Plant, Hatchery & Farm

Venkanna Palem Village, T.P. Gudur Mandal, Nellore - 524 002, Nellore Dist, A.P.

Processing Plant : Mahalakshampuram Village, T.P. Gudur Mandal, Nellore - 524 002, Nellore Dist, A.P.

E-mail : accounts@sharatindustries.com, Website : www.sharatindustries.com

Date: 30<sup>th</sup> May 2023

**BSE Limited,  
Corporate Relationship Department,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 532370.**

Dear Sir / Madam,

**Sub: Annual Secretarial Compliance Report for the Year Ended 31<sup>st</sup> March 2023**

**Ref: Scrip Code: 519397**

In line with the requirements of Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No: CIR/CFD/CMD1/27/2019 dated 8th February 2019; we are submitting herewith the Annual Secretarial Compliance Report for the Financial Year 2022-2023 issued by Mr. S. Ganesan, (Membership Number F4779 and CP Number: 8336) Practicing Company Secretary.

Kindly take the above information on record.

Thanking You,

Yours Sincerely,

**FOR SHARAT INDUSTRIES LIMITED**

**M.BALAMURUGAN  
COMPANY SECRETARY & COMPLIANCE OFFICER  
Membership No: A66115**

**SECRETARIAL COMPLIANCE REPORT OF M/s. SHARAT INDUSTRIES LIMITED FOR THE YEAR  
ENDED 31<sup>st</sup> MARCH, 2023**

*[Pursuant to Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

I, **S. Ganesan**, Practicing Company Secretary, have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **SHARAT INDUSTRIES LIMITED (CIN: L05005AP1990PLC011276)** ("the listed entity"), having its registered office at Venkannapalem Village, T P Gudur Mandal, Nellore, Andhra Pradesh-524002. Secretarial Review was conducted in a manner that provided me reasonable basis for evaluating the corporate conducts/statutory compliances and to provide my observations thereon.

Based on my verification of the listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, I hereby report that the listed entity has, during the review period covering the financial year ended on 31<sup>st</sup> March, 2023 complied with the statutory provisions listed hereunder in the manner and subject to the reporting made hereinafter :

I have examined;

- a) All the documents and records made available to us and explanation provided by M/s. Sharat Industries Limited("the listed entity") ,
- b) The filings/ submissions made by the listed entity to the stock exchanges,
- c) Website of the listed entity,
- d) Any other document/ filing, as may be relevant, which has been relied upon to make this certification,

For the Financial year ended March 31, 2023 ("**Review Period**") in respect of compliance with the provisions of:

- a) The Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- b) The Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include:

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (**Not applicable during the review period**)
- e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (**Not applicable during the review period**)
- f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (**Not applicable during the review period**)
- g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- h) Securities and Exchange Board of India (Depository and participants) Regulations, 2018;
- i) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 (**Not applicable during the review period**)
- j) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (**Not applicable during the review period**)

k) Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009 **(Not applicable during the review period)**

l) Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 **(Not applicable during the review period)**

I. **(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:**

Sl No	Compliance Requirement (Regulations/circulars/guidelines including specific clause)	Regulation Nos	Deviations	Action Taken By	Type of Action	Details of Violation	Fine Amount	Observations	Remarks
1	Regulation 31 (2) of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 requires company to maintain 100% of the Shareholding of the Promoters in dematerialized form.	Regulation 31 (2) of SEBI (LODR) Regulation, 2015	Due to inadvertent classification of "Public" shareholders in "Promoters" category the company was not able to maintain 100% Shareholding of the Promoters in dematerialized form.	NIL	NIL	Inadvertent classification of "Public" shareholders in "Promoters" category and consequently not able to maintain 100% Shareholding of the Promoters in dematerialized form.	NIL	In view of the said classification which was carried out inadvertently by the Company, bringing some "Public" shareholders in the Promoters' category, and classifying the same, & also classified as "Promoters", resulting in the company not able to maintain the 100% of the Shareholding of the "Promoters" in dematerialized form.  Further, the company has filed an application under Regulation 102 of SEBI (LODR) Regulation, 2015 dated 26 <sup>th</sup> May, 2021 requesting SEBI to approve the reclassification of "actual" 4[ four] Promoters and awaiting for approval.	NIL
2	Regulation 31A SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 requires to follow the procedure for Reclassification of Promoters.	Regulation 31A SEBI (LODR)	The company was not in position to comply with the procedure for reclassification of promoters as majority of shareholders classified as "promoters"	NIL	NIL	Unable to comply with the procedure for reclassification of promoters.	NIL	At the time of Initial Public offer, some of the shareholders belonging to the "Public" Category was inadvertently classified as "Promoters".  At the time of filing Shareholding pattern for the quarter ended 30 <sup>th</sup> September, 2020, the company encountered difficulty of loading Shareholding data in	NIL

			were not traceable.					XBRL form as PAN details of all the promoters were required. Hence the company filed the Shareholding pattern with actual four promoters of whom the details of PAN were available.  The company has filed an application as directed by SEBI under Regulation 102 of SEBI (LODR) Regulation, 2015 on 26 <sup>th</sup> May,2021 along with a fee of Rs. 100,000/- requesting SEBI to approve the reclassification of Promoters only with actual promoters of the company namely Mr. S. Prasad Reddy, Mr. S. Sharat Reddy, Mrs S. Devaki Reddy and Mrs. S. Charita Reddy without taking route under Regulation 31A of SEBI (LODR) Regulation, 2015 and the same is under consideration	
3	Regulation 40 of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 requires the transfer and transmission of securities between the promoters of the company.	Regulation 40 of SEBI (LODR)	Due to inadvertent classification of Promoters the company is not in a position to transfer securities of the promoters	NIL	NIL	inadvertent classification of Promoters	NIL	The company has filed an application under Regulation 102 of SEBI (LODR), 2015 seeking reclassification of actual promoters of the company. After the requisite order from SEBI the company will be in position to transfer the securities of the promoters of the company.	NIL

(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sl No	Compliance Requirement (Regulations/circulars /guidelines including specific clause)	Regulation Nos	Deviations	Action Taken By	Type of Action	Details of Violation	Fine Amount	Observations	Remarks
NIL									

II] The clauses 6(a) and 6(b) as mentioned in SEBI Circular No. CIR/CFD/CMD/114/2019 dated October 18, 2019 with regard to the Resignation of Statutory Auditors not applicable for the period under review

III. I hereby report that, during the review period the compliance status of the listed entity is appended as below:

S.No	Particulars	Compliance Status (Yes/No/NA)	Observations/Remarks by PCS*
1	<b><u>Secretarial Standards:</u></b> The compliances of the listed entity are in accordance with Auditing Standards issued by ICSI, namely SS-1 to SS-2.	Yes	Nil
2	<b><u>Adoption and timely Update of the Policies:</u></b> <ul style="list-style-type: none"> <li>• All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities</li> <li>• All the policies are in conformity with SEBI Regulations and have been reviewed &amp; updated on time, as per the regulations/circulars/guidelines issued by SEBI</li> </ul>	Yes	Nil
3	<b><u>Maintenance and disclosures on Website:</u></b> <ul style="list-style-type: none"> <li>• The Listed entity is maintaining a functional website</li> <li>• Timely dissemination of the documents/ information under a separate section on the website</li> <li>• Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re- directs to the relevant document(s)/ section of the website</li> </ul>	Yes	Nil
4	<b><u>Disqualification of Director:</u></b> None of the Director(s) of the Company is/ are disqualified under Section 164 of Companies Act, 2013	Yes	Nil
5	<b><u>To examine details related to subsidiaries of listed entities</u></b> (a) Identification of material subsidiary companies (b) Disclosure requirement of material as well as other subsidiaries	NA	The Company has no Material Subsidiaries
6	<b><u>Preservation of Documents:</u></b> The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	Nil
7	<b><u>Performance Evaluation:</u></b> The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations.	Yes	Nil

8	<b>Related Party Transactions:</b> (a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or (b) In case no prior approval has been obtained the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee.	Yes	Nil
9	<b>Disclosure of events or information:</b> The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	Nil
10	<b>Prohibition of Insider Trading:</b> The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	Nil
11	<b>Actions taken by SEBI or Stock Exchange(s), if any:</b> No action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder except as provided under separate paragraph herein.	NA	No action has been taken by against the entity, during the period under review
12	<b>Additional Non-compliances, if any:</b> No additional non-compliance observed for any SEBI regulation/circular/guidance note etc.	NA	No additional non-compliance have been observed during the period under review

**Assumptions & Limitation of scope and Review:**

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the entity.

2. My responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.

3. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

**SUBRAMANIAN  
 GANESAN**

Digitally signed by  
 SUBRAMANIAN GANESAN  
 Date: 2023.05.30 17:53:37  
 +05'30'

Place: Chennai  
 Date: 30<sup>th</sup> May, 2023  
 UDIN:FO04779E000428873

**S. GANESAN**  
 Practicing Company Secretary  
 FCS: 4779 C.P.No.8336  
 PR No. 2685/2022