



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

05th September 2025

To
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400001.

Scrip Code - 519397

Dear Sir/Madam,

Sub: Notice of 35th Annual General Meeting of the Company and Annual report for the Financial Year 2024-2025

Ref: Regulations 30 & 34 of the SEBI (LODR) Regulations 2015

In line with requirement to Regulation 30 & 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we submit herewith the Notice convening the 35th Annual General Meeting (AGM) of the Company and the Annual Report for the financial year 2024-2025. The 35th AGM to be held on **Saturday, 27th September 2025 at 11:00 A.M. IST** through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM").

The Notice of AGM is also available on the Company's website at <https://sharatindustries.com/wp-content/uploads/2025/09/2024-2025.pdf>

Corporate Off. : Flat No. 4, 3rd Floor, Pallavi Apartments,
No. 57/11, Old No. 29/TF4, 1st Main Road,
HDFC Bank Compound, R.A.Puram, CHENNAI - 600 028.
Contact No. : 044-24347867 / 24357868,
E-mail : chennai@sharatindustries.com

Nellore Off. : 16-6-143, Opp. Manasa Apartment,
Srinivasa Agraharam, Nellore - 524 001.
Tel. No. : 0861 - 2331727
E-mail : hrd@sharatindustries.com



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The Schedule of the AGM is set out below:

Particulars	Details
Benpose Date for Sending Notice	29 th August 2025
Date of 35 th AGM notice and Annual report 2024-2025 circulated to shareholders through e-mail.	05 th September 2025
Cut-off Date for E-voting	19 th September 2025
Remote E-voting Start Day, Date & Time	Monday, 22 nd September 2025 at 09:00 AM (IST)
Remote E-voting End Day, Date & Time	Friday, 26 th September 2025 at 05:00 PM (IST).
Day, Date of AGM & Time	Saturday, 27 th September 2025 at 11:00 AM
AGM e-voting Result Date	Within 2 working days from the date of AGM.

This is for your information and records.

Thanking you,

For **SHARAT INDUSTRIES LIMITED**

GANESAN

NILAKANATAN

Digitally signed by GANESAN

NILAKANATAN

Date: 2025.09.05 16:48:18 +05'30'

N. GANESAN

COMPANY SECRETARY & COMPLIANCE OFFICER

M.NO:A8407

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Sharat Industries Limited

www.sharatindustries.com



2024-2025

35th Annual Report

Pioneers in Indian Aquaculture

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FY 2024–25 reaffirmed our resilience and strengthened our passion to be in this industry. In a year shaped by global uncertainties, we adjusted our sails with discipline, collaboration, and a commitment to execution. What makes us proud is not only the progress on financial measures, but the way our people came together to deliver consistency, uphold quality, and honor our commitments. Our employees remain our greatest strength—their dedication and collective effort have enabled us to delight customers across markets and reinforce SIL’s trusted presence in global aquaculture. Above all, this year was about laying the groundwork for the future—scaling value-added products, improving customer experience, and positioning SIL to thrive in an evolving world.



Corporate Information

Board of Directors

Mr. Prasad Reddy Sabbella
Managing Director

Mr. Sharat Reddy Sabbella
Whole Time Director (ED)

Mr. Harihar Venkata Muthyam
Independent Director

Mr. P. Shanmugam
Non-Executive Director

Mr. Swayze Mani
Independent Director

Mrs. Geetha Adhyam Bindu
Independent Director

Balasubramanian R
Chief Financial Officer
w.e.f 30th Sep 2024

N Ganesan
Company Secretary
w.e.f 29th Jan 2025

Statutory Auditors

M/s. A.R. Krishnan & Associates,
Chartered Accountants

Internal Auditors

M/s. P S S & Co.,
Chartered Accountants

Secretarial Auditors

M/s. BP & Associates,
Practicing Company Secretaries

Bankers

Axis Bank Limited

Registered Office

Venkannapalem Village T.P Gudur Mandal
SPSR Nellore District
Andhra Pradesh - 524 002

Corporate Office

Flat No.4, Third Floor, Pallavi Apartments
No. 57/11 HDFC Bank Compound
First Main Road, R.A Puram
Chennai - 600 028

Registrar and Share Transfer Agent

M/S Cameo Corporate Services Limited,
Subramanian Building,
No. 1 Club House Road
Chennai - 600 002



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Company Overview

Pioneers in Indian Aquaculture

- Founded in 1990, **Sharat Industries Limited (SIL)** is among the pioneers of India's aquaculture industry and is one of the country's earliest integrated aquaculture shrimp companies. From establishing one of India's first large-scale farms in Nellore to introducing **Vannamei (white shrimp)** to India in the early 2000s, SIL has consistently been at the forefront of industry innovation.
- Over three decades, SIL has built a **full value chain presence** spanning **feed production, farming, and processing**, supported by a strong farmer network. This integrated model allows the Company to ensure **traceability, quality, and resilience** at every stage.
- SIL has also been instrumental in shaping India's aquaculture story. Its partnerships with international experts in hatchery and farming helped set benchmarks for the sector. The Company's commitment to sustainable practices — antibiotic-free shrimp, environmentally conscious farming, and internationally accredited processing facilities — has positioned it as a trusted supplier to global markets.
- Today, SIL exports to multiple geographies, serving discerning customers in the **US, EU, Russia, China, and other regions**, while continuing to invest in **value-added shrimp products** that meet evolving global demand.
- As SIL enters the next phase of growth under refreshed leadership, its focus is clear: **build on legacy strengths while innovating for the future** — creating value for shareholders, opportunities for farmers, and sustainable protein for global consumers.

30+

Years of experience

25+

International Customers

35+

Domestic Customers

146

Employees

55+

Farmer Relationships

12+

Countries of export

15+

Product varieties



Our Competitive Advantage

Through supply of good quality feed and seed, we have a symbiotic relationship with our network of farmers, who are an integral part of our supply



Well-Integrated Farmer Network

Our robust farmer network ensures accurate product traceability and the procurement of healthy, antibiotic-free shrimp.



Strong Brand Recall

Our products (feed and processed shrimps) have a strong brand recall due to the high-quality standards and supply reliability. Our feed has high nutritional value, facilitating cost-effective, shrimp growth. Our processed shrimps are antibiotic-free and certified by leading global certification agencies.



Favourable Business Environment

Located in Andhra Pradesh which has policies & regulations promoting the growth of aquaculture.



Wide Product Range

We offer a wide range of processed shrimps that meet the diverse requirements of customers globally. With over 23 years of experience in the production of Shrimp feed, we offer shrimp feed in multiple sizes (for different stages of shrimp growth) under the brand VANNASTAR.



Vertically Integrated

Our presence across the shrimp value chain enables quality control and cost effective operations across every stage. With over 30 years of experience in the field, the company has strong relationships with its supply chain partners and customers.



Strategically Located

Close proximity of our Processing plant to the farm and our network of farmers ensures freshest quality shrimp for processing.



Large Farm Area

We have one of the largest shrimp farms in India that has the capacity to farm over 2000 tonnes of shrimp annually.

03

Industry Context & Our Position

The global shrimp market went through another year of softness in FY25 (Apr 2024–Mar 2025). Overall imports fell by **1.6% in volume and 5.9% in value in 2024**, reflecting cautious consumer demand and pressure on prices. The **US and China together accounted for nearly half of world shrimp imports**. The European Union showed some recovery in demand, but China's slowdown weighed heavily on prices, particularly affecting Ecuador, the world's largest exporter of vannamei shrimp.

On the supply side, global production grew by only **~2%**. Farmers across Asia reduced stocking densities, preferring to protect margins in a low-price environment. Some countries also began reviving production of black tiger shrimp, a premium species, alongside vannamei.

Our Position: SIL views these conditions as an opportunity to differentiate. While bulk shrimp trade faces pricing pressure, the Company is preparing to capture value from **premium and value-added products**. With capacity in place and regulatory approvals in progress, SIL is positioned to serve discerning customers even when market sentiment is cautious.

India's Export Performance

India retained its status as the world's largest shrimp exporter in FY25. The country exported **1.698 million tonnes of seafood valued at US\$ 7.45 billion**, broadly steady in value compared to the previous year despite weaker global demand. **Frozen shrimp accounted for more than 50% of both volume and value**, underscoring its dominance in India's export basket. The **US and China remained the top destinations**, with encouraging signs of recovery from the **EU market**.

Our Position: SIL contributed **4,700 tonnes of exports** in FY25, operating its processing division at around 60% capacity. The Company also produced **~6,000 tonnes of shrimp feed** and **~800 tonnes of farmed shrimp**, reinforcing its integrated model. These volumes, achieved in a challenging year, demonstrate resilience and highlight the Company's ability to sustain operations while positioning for future growth.

Key Risks and Challenges

- **Competition from Ecuador:** Ecuador's rapid expansion in shrimp farming, supported by low costs and proximity to China, continues to pressure global prices. Temporary suspensions of Ecuadorian plants by Chinese regulators in early 2024 also underlined the volatility of depending heavily on one market.
- **Freight and Logistics:** The **Red Sea shipping crisis** disrupted global supply chains, driving up container costs and extending delivery timelines. For seafood exporters like SIL, this raised working capital requirements and logistical risks.

- **Climate Variability:** The **El Niño weather pattern**, which peaked in early 2024, altered sea temperatures and salinity, stressing farm conditions in Asia. Such events can reduce yields and raise costs for farmers.
- **Disease:** Shrimp aquaculture is vulnerable to viral diseases such as **White Spot Syndrome Virus (WSSV)** and **Enterocytozoon Hepatopenia (EHP)**. These diseases can quickly spread in farm clusters, affecting survival rates and output.

Our Position: SIL mitigates these risks through:

- An **Integrated Business Model** (feed–farm–processing), which reduces reliance on external suppliers.
- Investment in **Biosecurity Measures** at farm and processing levels.
- Diversifying markets beyond **Traditional Geographies**.
- Preparing for more **Value-Added Exports**, where pricing pressure is less acute.

Policy Environment in India

The Indian government continues to support aquaculture through policy and budgetary initiatives.

- **Coastal Aquaculture Authority (Amendment) Act, 2023** and **CAA Rules, 2024:** These reforms simplified registration and licensing, making aquaculture a formally permitted activity in coastal regulation zones. This reduces compliance hurdles for farmers and exporters.
- **Pradhan Mantri Matsya Sampada Yojana (PMMSY):** A flagship scheme launched in 2020, PMMSY aims to **modernize India's fisheries and aquaculture sector** by investing in infrastructure (cold chains, processing units), promoting sustainable practices, and enhancing value addition. In FY25, the **Department of Fisheries budget was increased by 15% to ₹2,584.5 crore**, reflecting government commitment to the sector.
- **Export Incentives:** The **RoDTEP (Remission of Duties and Taxes on Export Products)** scheme was updated in FY25, providing rebates for key shrimp product lines. This helped Indian exporters stay competitive in global markets.

Our Position: SIL is well placed to benefit from these policy measures. The Company's integrated operations align with PMMSY's focus on traceability, value addition, and sustainability. The export rebate framework under RoDTEP further strengthens SIL's ability to compete globally, even in a margin-pressured environment.

Looking Ahead

The shrimp industry is entering a new cycle. Global demand is growing more slowly, margins are under pressure, and sustainability expectations are rising. For SIL, this is both a challenge and an opportunity. By leveraging its **integrated model, strong farmer partnerships, and processing capabilities**, the Company is laying the foundation for higher-value, more resilient growth.

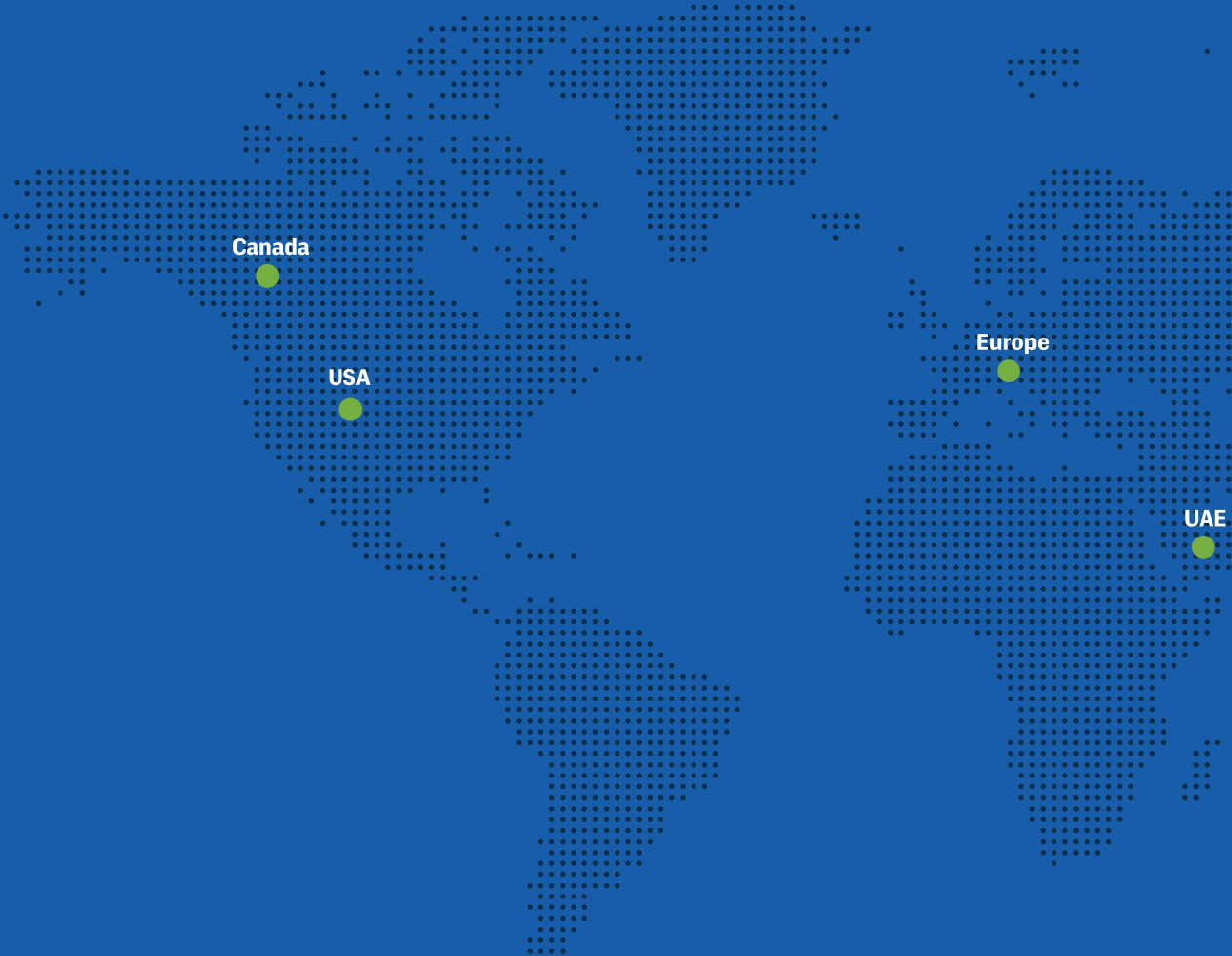
As SIL moves forward, it will continue to:

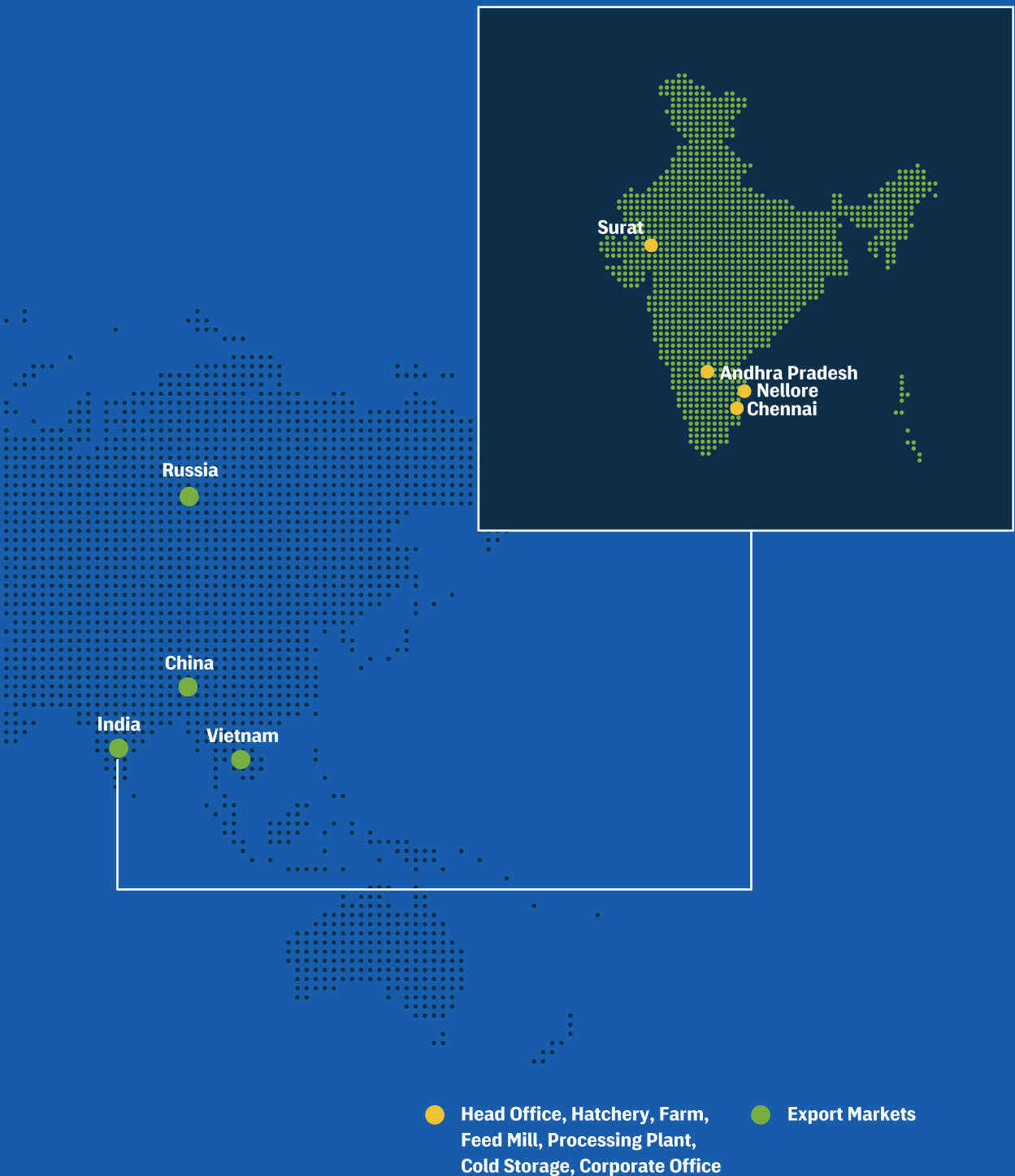
- Expand into **value-added shrimp exports**.
- Invest in **technology for traceability and efficiency**.
- Build resilience against climate and disease risks.
- Align with **government reforms and PMMSY priorities** to modernize aquaculture.

This approach ensures that SIL is not only adapting to industry realities but also shaping its role as a leader in India's aquaculture story.

04

Our Global Presence





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Business Verticals

Over the past three decades, Sharat Industries Limited (SIL) has established a presence across the aquaculture value-chain. While the hatchery division remains non-operational and farming is maintained at modest capacity, the Feed and processing division stands as the cornerstones of SIL's business today. Together, they drive scale, strengthen farmer networks, and anchor the Company's export performance.

SIL's integrated structure ensures traceability, quality, and cost efficiency—with feed production directly supporting both captive farming and external customers, and processing facilities converting this strength into products that meet global demand. Contract farming Initiatives taken up by Sil in the recent years have further strengthened the farmer relationships thereby improving overall profitability. The Company continues to evolve these divisions, with an increasing focus on value-added shrimp products for premium international markets and an eye on India's growing domestic opportunity.

In FY25, each active vertical played a vital role: the farm contributed consistent volumes during crucial periods of the year, the feed mill supported resilience and better farmer engagement, and the processing plant remained the Company's growth engine—expanding into higher-value offerings and Strengthening presence in new geographies reflecting SIL's future direction.

Hatchery

The hatchery division remained **non-operational** during FY25, consistent with recent years. The Company does not foresee resuming hatchery operations in the near term, as strategic focus remains on farming, feed, and processing divisions where capacity and market opportunities are better aligned.



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FY 2024–25 was a year of resilience. Amid global headwinds, SIL delivered steady performance and prepared for the future.

Farm

The farm division, located along the coast of the Bay of Bengal, was operational through the year with approximately **50% of capacity utilized**. Total output during the year stood at **~800 tonnes of shrimp**, representing about **40% of the installed**

capacity of 2,000 tonnes per annum. The farm continued to employ environmentally conscious practices, ensuring production that is both high-quality and antibiotic-free.



Feed Mill

The feed mill division operated steadily during FY25 and produced **~6,000 tonnes of shrimp feed** during the year. Production was directed towards supporting SIL's farm division as well as meeting requirements from its established network of external customers. The Company's branded shrimp feed, VANNASTAR continues to be recognized for its nutritional quality and farmer acceptance. By offering customised feed solutions to its network of contract farmers, enabled better productivity and cost optimisation for its supply chain partners.







Processing Plant

The processing plant remained the backbone of SIL's operations in FY25. The division ran at **~60% utilization of its 7,500 tonne capacity**, processing and exporting **~4,700 tonnes of shrimp products** during the year. Of this, **value-added products such as cooked and blanched shrimp contributed to 5%** of total volumes. SIL is in the process of securing approvals from international health authorities, including Russia, to scale up its cooked product exports, which is expected to drive a higher share of value-added production in the near future.

SIL is actively exploring alternate product offerings such as Black Tiger Shrimps to markets like China, EU & USA. Moving forward, Sil intend to collaborate with Strategic partners to further strengthen its global presence & product offerings.

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Feed and Processing remain the twin pillars of SIL's business, powering both resilience and opportunity.

06

Our Extensive Product Range

Raw White Shrimp

- Raw Head-On Shell-On (HOSO)
- Raw Headless Shell-On (HLSO)
- Raw Headless Easy Peel (EZ-Peel)
- Peeled and De-veined Tail-On (PDTO)
- Peeled and De-veined Tail-Off (PD)
- Peeled and Un-De-veined (PUD)
- Butterfly

Cooked White Shrimp

- Cooked Head on Shell On (CHOSO)
- Cooked Headless Shell On (CHLSO)
- Cooked Peeled and De-veined Tail-On (CPDTO)
- Cooked Peeled and De-veined Tail-Off (CPD)
- Cooked Peeled and Un-De-veined (CPUD)

Shrimp Feed Brands

- VANNASTAR
- AQUAASTAR

Frozen Shrimp Brand

- Sharat Star



Product Quality Certifications



FSSAI



HACCP



FSSC 22000



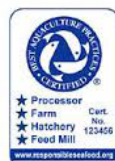
BRC - A Grade



USFDA



IFS



**The Responsible
Seafood Choice.
BAP 4 Star**



EU approved

Letter from the Managing Director

Dear Shareholders,

As I reflect on the journey of Sharat Industries Limited, I am reminded once again of the pioneering spirit that has guided us for more than three decades. From our early days in Nellore, when we established one of India's first integrated shrimp farms, to our role in introducing vannamei to Indian aquaculture, SIL has consistently been at the forefront of industry change. This legacy of innovation, built on resilience and partnership, continues to anchor our progress.

FY 2024–25 was another testing year for the global shrimp industry. Trade volumes softened, with global imports declining by nearly 2% in 2024, and prices remained under pressure as Ecuador's expanding supply and uneven demand from China weighed on the market. Freight costs stayed volatile due to ongoing disruptions in global shipping routes, while climate variability linked to El Niño and the persistent threat of diseases such as WSSV and EHP reminded us of the vulnerabilities inherent in aquaculture.

India, however, demonstrated resilience. The country exported **1.698 million tonnes of seafood valued at US\$ 7.45 billion**, holding steady despite global headwinds. Frozen shrimp continued to dominate India's export basket, with the US and China as principal destinations and renewed traction from the EU. Within this environment, Sharat Industries delivered **Revenues of ₹380 crore**, EBITDA of **₹30.3 crore**, and Profit After Tax of **₹9.94 crore**. Our exports contributed nearly 80% of the topline, with Russia and the United States as the leading destinations.



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SIL has consistently been at the forefront of industry change. This legacy of innovation, built on resilience and partnership, continues to anchor our progress.

Operationally, our **farm division produced ~800 tonnes of shrimp**, the **feed mill produced ~6,000 tonnes of feed**, and the **processing plant exported ~4,700 tonnes of shrimp products**, including a growing share of cooked and blanched offerings. While our hatchery division remains inactive, we continue to focus on those areas of the value chain where we can drive efficiencies and deliver value to customers and shareholders alike.

The year also reinforced the importance of adaptability. Faced with volatile markets, SIL sharpened its focus on product quality, farmer partnerships, and operational discipline. Importantly, we began laying the foundation for a stronger presence in **value-added shrimp products**, with regulatory approvals in key markets such as Russia expected to open up new opportunities in FY 2025–26.

Looking ahead, I remain optimistic. Global demand for seafood continues to expand, driven by population

growth and the search for sustainable protein. India's aquaculture sector is well placed to benefit, supported by government reforms under the **Coastal Aquaculture Authority and the Pradhan Mantri Matsya Sampada Yojana (PMMSY)**, which aim to modernize infrastructure and promote sustainable practices. For SIL, our integrated model and proven legacy of execution provide a strong base as we step into a new phase of growth.

I would like to extend my sincere gratitude to our shareholders, employees, farmer partners, customers, and regulators for their continued trust and support. Together, we will continue to build on SIL's proud legacy while shaping a future defined by resilience, innovation, and sustainable value creation.

Warm Regards,
S. Prasad Reddy
Managing Director

Letter from the Executive Director

Dear Shareholders,

At **Sharat Industries Limited (SIL)**, we believe the **future of food is blue**. With the world's population expected to cross nine billion by 2050 and natural resources under immense strain, sustainable aquaculture is no longer an option—it is an imperative.

FY 2024–25 was a year where we balanced operational discipline with building the groundwork for tomorrow. Our **farm division operated at ~50% utilization**, producing ~800 tonnes of shrimp. The **feed mill produced ~6,000 tonnes of shrimp feed**, and our **processing division exported ~4,700 tonnes of shrimp products**. These outputs, though below full potential, were achieved in a volatile price environment and underline the resilience of our integrated structure. Importantly, **value-added exports** such as cooked and blanched shrimp began to contribute meaningfully, and we are pursuing regulatory approvals in key markets such as Russia to scale these offerings. I am proud to share that SIL was **among the top three Indian exporters of shrimp to Russia** during the year. Our success in Russia underscores this adaptability. With tariff uncertainties in the US and highly competitive environments in the EU and China, **Russia is emerging as a pivotal market for Indian shrimp exporters**. Access is restricted—there are only a handful of Russia-approved factories in India, and SIL has been licensed since 2011. We are uniquely placed to leverage this advantage, combining **high-quality value-added shrimp production with vertical integration across the supply chain**, which strengthens our pricing power.



”

SIL was among the top three Indian exporters of shrimp to Russia during the year.

Beyond exports, India itself represents an exciting horizon. The **domestic shrimp market was valued at ~US\$ 9.2 billion in 2024** and is projected to more than double by 2033, reaching US\$ 22.7 billion. Per capita fish consumption has already risen from 4.9 kg to 8.9 kg over the past 15 years and is expected to **nearly double again by 2048**, reflecting growing domestic demand for healthy, affordable protein. If even half of India's non-vegetarian population consumed just 500 grams of shrimp annually, domestic demand could reach **~375,000 MT**, significantly reducing reliance on exports.

At SIL, we intend to tap this **fast-growing domestic opportunity** through a road map that includes:

- Curated product lines for urban retail
- A **dual-market strategy** that balances export leadership with domestic growth.
- Partnerships with government initiatives supporting nutrition and food security.

Road Map

Looking ahead, our strategic roadmap rests on four pillars:

1. **Forward Integration** into value-added products for premium global and domestic markets.
2. **Strategic Partnerships** with Supply Chain Partners
3. **Digital Transformation** through blockchain-based traceability and IoT-enabled farm systems.
4. **Brand Refresh**, reflecting SIL's evolution as an agile, future-ready company.

Today, we carry forward our legacy as an agile company from Nellore, Andhra Pradesh—one that does right by its people, partners, customers, and the Earth. By combining our strengths in integration with innovation and sustainability, SIL is well positioned to create enduring value for all stakeholders.

Warm Regards,
S. Sharat Reddy
Executive Director

A hand holding a pen over a clipboard with a bar chart, with a green overlay containing the title 'Statutory Reports'.

Statutory Reports

Strong governance and compliance guide our growth

Management Discussion and Analysis for the Fiscal Year 2024-25

I. Global and Indian Economic Landscape

1.1 Global Macroeconomic Environment: Resilience Amid Geoeconomic Fragmentation

The global economic outlook for fiscal year (FY) 2024-25 presents a complex and contradictory picture, characterized by a mix of tenuous resilience and persistent uncertainty. While a broad global recession is not anticipated, forecasts from major international institutions reveal a significant divergence in perspective, highlighting fundamental fault lines in the global trading system. As per the International Monetary Fund (IMF) and Organization for Economic Cooperation and Development (OECD), global growth was at 3.2% in 2024.

Going forward, the IMF projects global growth at 3.0% for 2025 and 3.1% for 2026, an upward revision attributed to factors such as fiscal expansion in major jurisdictions, better financial conditions, and front-loading of trade activities ahead of potential tariffs. This view emphasizes a short-term, adaptive resilience in the face of ongoing challenges. In contrast, the OECD offers a more cautious assessment, cutting its global growth forecast for 2025 to 2.9%, pointing to the same headwinds of "rising trade barriers, tighter financial conditions, and mounting policy uncertainty". This stark contrast in outlook is not merely a statistical difference but reflects a fundamental debate on the future of global trade. The OECD's perspective suggests that the primary threat is not a generalized economic slowdown but a structural shift towards "geoeconomic fragmentation," a phenomenon where international transactions are increasingly restricted to politically aligned partners. This structural shift, exemplified by the escalating U.S. tariff regime on key trading partners, poses a significant, long-term risk to global trade-dependent industries and necessitates a strategic response of market diversification.

1.2 India's Resilient Growth Story

Amid this uncertain global scenario, the Indian economy stands out as a "key driver of global growth". While the growth of various developed economies around the world is stagnating, India's real Gross Domestic Product (GDP) demonstrated remarkable strength, growing at a robust 6.5% in FY 2024-25, which firmly positions it as the fastest-growing major economy. This performance is particularly significant as it was achieved despite global headwinds. The economic momentum is projected to continue into FY 2025-26, with the Reserve Bank of India (RBI) forecasting a steady growth rate of 6.5%. Other forecasts echo this optimism, with the Confederation of Indian Industry (CII) projecting a growth range of 6.40% to 6.70%, and the United Nations placing its estimate at 6.3%.

This resilience is deeply rooted in strong domestic demand, which has provided a crucial buffer against external shocks. Growth was primarily supported by a resilient consumer base, a broadening investment landscape, and a dynamic workforce. Private final consumption expenditure grew by 7.2% for the full fiscal year, outpacing overall GDP growth and underscoring the strength of internal demand. These domestic growth drivers are further bolstered by a favorable macroeconomic environment, including a declining inflation rate. The RBI's decision to reduce the repo rate by 50 basis points to 5.50% was made possible by falling inflation, which reached a near six-year low of 3.2% in April 2025. For an export-oriented company, this dynamic signifies that one strategic opportunity could be to focus on the burgeoning and stable domestic market to mitigate exposure to volatile international trade conditions.

While income distribution and geopolitical challenges continue to test the growth trajectory of our nation, there is optimism that a robust consumer base, enhanced digital infrastructure, and stable central government will fuel our long-term economic ambitions.

Economy	IMF Actual Growth (2025)	Key Drivers
Global	3.20%	Overall resilience in services and private consumption.
United States	2.80%	Strong domestic demand and a resilient labor market.
China	5.00%	Sustained domestic demand and a rebound in consumer spending.
India	7.30%	Robust domestic demand and strong public spending on infrastructure.
Euro Area	0.80%	Gradual recovery in consumer confidence and easing energy prices.
Japan	0.90%	Private consumption and a positive contribution from net trade.

II. The Indian Fisheries and Aquaculture Industry

2.1 Sectoral Contribution and Growth Dynamics

The Indian fisheries and aquaculture sector has emerged as a pivotal driver of the nation's economic and nutritional security. The sector's contribution to India's agricultural Gross Value of Output (GVO) has grown significantly, rising from 4.2% in 2011-12 to a substantial 7.0% in 2023-24. In FY 2024-25, India's total fish production reached a record 18.42 million metric tonnes, an increase from 17.5 million metric tonnes in the previous year. This impressive growth solidifies India's position as the world's second-largest fish producer, contributing approximately 8% to global fish production and sustaining over 28 million livelihoods. The state of Andhra Pradesh, a key hub for aquaculture and Sharat Industries' operations, plays a dominant role, contributing over a quarter of the total national output with 5.000 million metric tonnes. The region is the largest producer of shrimp in the country, with some sources indicating it is responsible for as much as 70% of the country's total shrimp production. This dominance is largely due to its extensive coastline and favorable conditions for shrimp farming, particularly for the Whiteleg shrimp (*Penaeus vannamei*), which was pioneered by Sharat Industries Limited.

2.2 Government Initiatives and Policy Support

The sustained growth of the fisheries and aquaculture sector is largely a result of proactive government support and visionary policy initiatives. The flagship Pradhan Mantri Matsya Sampada Yojana (PMMSY) launched in 2020-21, has been instrumental in fostering inclusive and sustainable transformation of the sector. Furthermore, the Union Budget for 2025-26 has designated fisheries as a "sunrise sector," demonstrating the government's long-term commitment and earmarking a significant allocation of ₹2,703.67 crore to support its development.

A notable strategic shift in government policy is the introduction of the Pradhan Mantri Matsya Kisan Samridhi Sah-Yojana (PM-MKSSY), which aims to "formalize the sector and support small" fish farmers. This initiative goes beyond simple production targets; it seeks to address structural challenges by accelerating digital initiatives, such as the digitization of land records and the implementation of an 'agri-stack' to link farmers' produce with banking and credit systems. This formalization creates a more organized and regulated industry, which is essential for meeting the stringent quality and safety standards required by global markets.

III. The Global and Indian Shrimp Market

3.1 Market Size, Growth, and Evolving Consumer Preferences

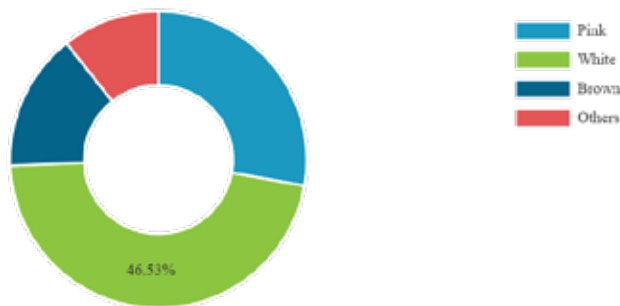
The global shrimp market continues its robust growth trajectory, driven by rising consumer health consciousness and a growing preference for protein-rich diets. The market, valued at USD 49.63 billion in 2024, is projected to reach USD 112.31 billion by 2033, exhibiting a strong Compound Annual Growth Rate (CAGR) of 9.5%. This growth is spurred by the nutritional benefits of shrimp, which is low in saturated fats and rich in protein and essential minerals. Consumer preferences are also shifting toward convenience, with the frozen segment dominating the market due to its extended shelf life, convenience, and ability to retain freshness and flavor.

3.2 Type of Shrimps

Based on type, the segment includes pink, white, brown, and others. The white segment dominates the market owing to its wide acceptance and favoritism in almost all regions. Also, it contains a high amount of proteins and vitamins that make it a great source of alternative proteins.

White shrimps are also known for their other nutritional benefits, such as calcium, magnesium, and phosphorous. In addition, they are also known to help in cancer prevention. They contain a high amount of omega-3 fatty acids, which provides DHA and EPA useful for a healthy brain, lower cardiovascular risks, and prevent heart disease and cancer. White shrimps also provide selenium which is useful in fighting against radical effects that cause cancer. The growing demand for white shrimps from developing nations is also expected to boost the market size of the global.

Global Shrimp Market Share, By Type, 2023



3.3 Top Shrimp Importing Countries

The global shrimp import market is fundamentally shaped by the collective influence and distinct characteristics of three major players: the United States, the European Union, and the Asia-Pacific region.

The global shrimp import market is fundamentally shaped by the collective influence and distinct characteristics of three major players: the United States, the European Union, and the Asia-Pacific region.

The United States of America:

The US acts as a primary market for high-volume, cost-effective farmed shrimp. American consumers eat an enormous volume of shrimp, which accounts for about 38% of total seafood consumption in the country. The U.S. meets this demand with a combination of domestic production and massive imports, with the latter overwhelmingly satisfying the market's appetite.

The European Union:

The EU presents a more diverse and fragmented market, with demand varying significantly by country. For example, countries in Southern Europe, such as Spain, France, and Italy, are major importers of both farmed and wild-caught species, including notable quantities of Argentine red shrimp. The EU also operates as a single, highly regulated bloc, requiring exporters to adhere to stringent food safety and hygiene standards.

The Asia-Pacific region:

Anchored by China and Japan, the Asia-Pacific region plays a crucial dual role in the global shrimp trade. China's market is unique in its scale and function. It is the world's largest importer by volume and also has the largest wild shrimp fishery globally. A significant portion of China's imports are unprocessed, shell-on shrimp intended for further processing and re-export, a practice that allows the country to influence global commodity prices. Japan, in contrast, is a high-value market that prioritizes quality and freshness, sourcing both high-quality farmed shrimp and wild-caught species like Argentine red shrimp for specialty markets.

Frozen Shrimp Export	2024 Shrimp Imports (In Thousand MT)	India's share (% supplied)
USA	760.50	38.6%
EU	378.80	13.0%
China	1000.50	12.5%
Japan	213.80	18.0%
Russia	85.00	23.5%

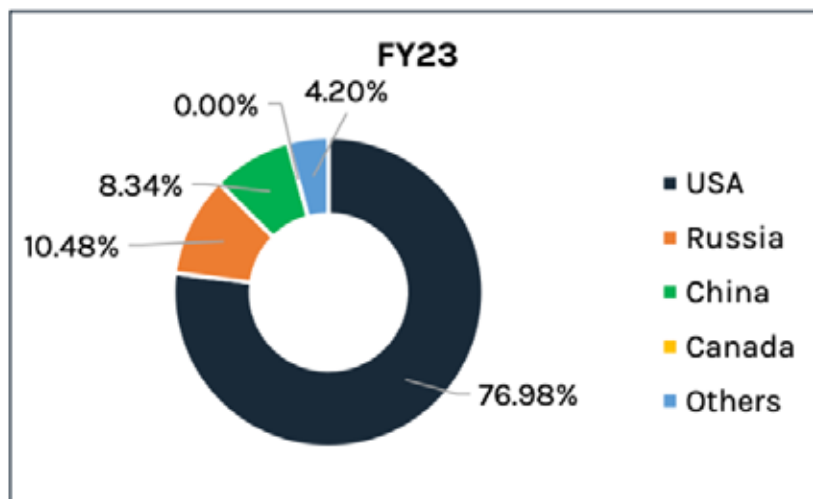
3.4 Pricing and Market Volatility

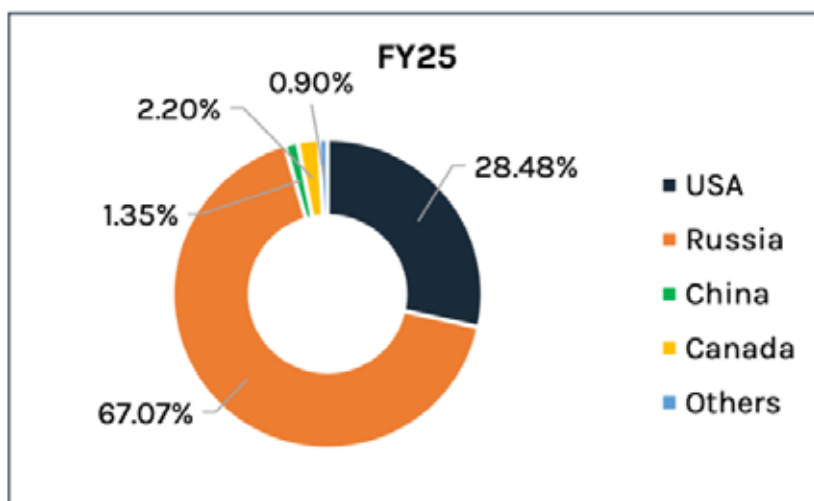
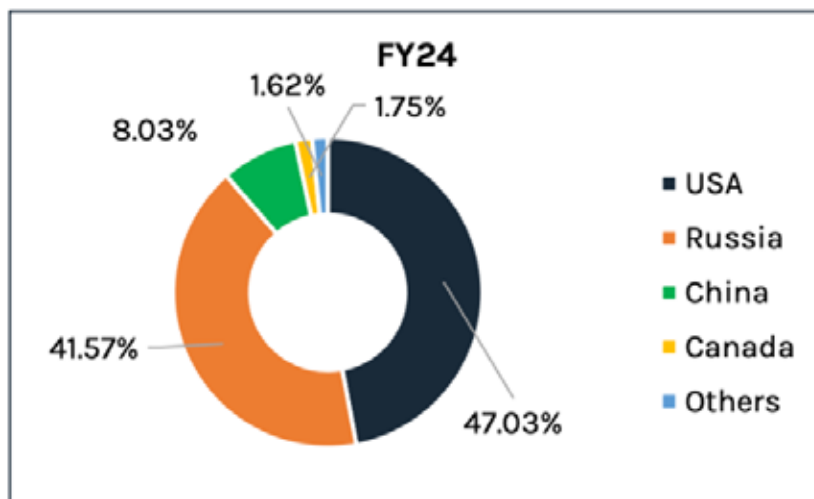
Global shrimp prices remained subject to volatility in FY 2024-25, a condition influenced by the fundamental principles of supply and demand. As of June 2025, the global average price of shrimp was \$6.61 per metric ton, representing a year-on-year decline of 5.48%.²⁶ While overall prices softened, individual markets experienced sharp fluctuations. For example, China's shrimp prices surged in early 2025, after a nearly two-year low in January, driven by a combination of tight domestic supply from early harvests, reduced imports, and rising demand.

Despite the challenges of price volatility and flat export volumes in the early part of the fiscal year, India's shrimp export performance in the first three months of 2025 reveals a subtle but critical shift in strategy. While total export volume rose a modest 4% year-on-year to 279,018 metric tons, the total export value increased by a much faster 14% to \$1.98 billion. This divergence is a direct result of a strategic move towards higher-value products. Value-added exports performed exceptionally well, surging by a remarkable 38% year-to-date. This indicates that Indian exporters are successfully moving up the value chain by focusing on higher-margin, processed products.

3.5 The Russia Opportunity

Amidst all the uncertainties in the US with the tariff situation and highly competitive environments in the EU and China, Russia is emerging as an attractive destination for Indian shrimp exporters. One of the primary hurdles for exporting to Russia is getting a license, which SIL has had since 2011. There are very limited Russia approved factories in India for shrimp exports. SIL is in a unique position to leverage this situation not only due to its expertise in producing high quality value added shrimp but also its vertical integration across the supply chain which gives it better pricing power. To reduce the dependency on the US, SIL strategically started increasing its business with Russia in FY24. In FY25, we reaped the benefits of our efforts by becoming the largest exporter from India to Russia by both volume and value, and we are on track to consolidating our position further in 2025.





Operational Review

Geographical Performance

(Rs. In Cr)

Particulars	FY 2025	FY 2024
Revenue from Export	292.98	221.97
Revenue from Domestic Operations	89.31	80.78
Total	382.29	302.75

Financial Performance

Key Financial Highlights for the Year

(Rs. in Cr)

Particulars	FY 2025	FY 2024
Total Income	382.29	302.75
Total Expenses	368.27	295.09
Earnings before Interest, Tax, Depreciation, Amortisation (EBITDA)	30.32	21.74
Profit after Tax (PAT)	9.96	5.87

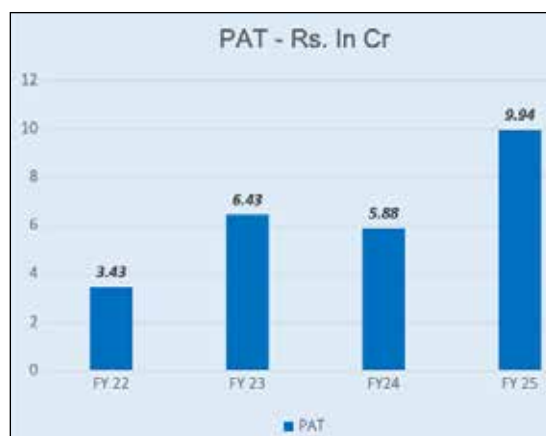
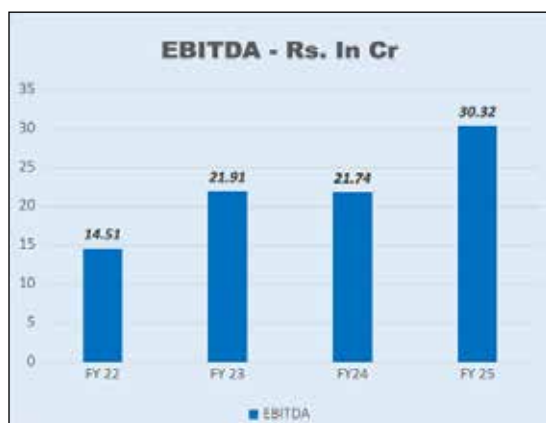
Details of significant changes in key Financial Ratios

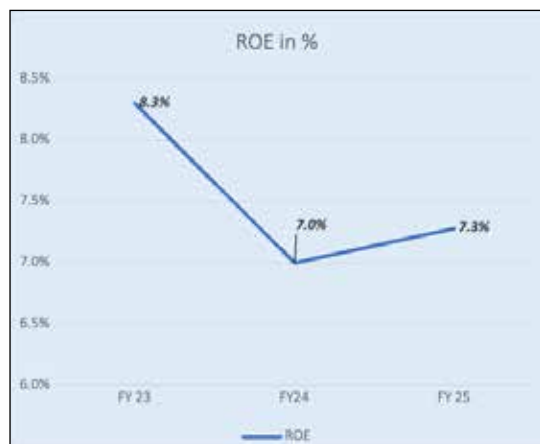
Ratio	FY 2025	FY 2024	Significant Change compared with previous year i.e. 25% or more	Detailed Explanation for significant change
Current Ratio	1.76	1.42	23%	NA
Debt-Equity Ratio	1.38	1.66	-17%	NA
Debt Service Coverage Ratio	1.90	1.58	20%	NA
Return on Equality Ratio	7.3%	7.0%	4%	
Inventory Turnover Ratio	4.04	3.77	7%	NA
Trade Receivables Turnover Ratio	4.69	4.99	-6%	NA
Trade Payables Turnover Ratio	20.58	16.96	21%	Na
Net Capital Turnover Ratio	3.89	6.83	-43%	Stock & Debtors are major contributor
Net Profit Ratio	2.6%	1.9%	35%	Profit volume is a major contribution
Return on Capital Employed	17.4%	17.8%	-2%	NA

Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof:

Particulars	2024-25	2023-24
Return on Net worth	7.3%	7.0%

The Company's return on net worth has minor changes due to change in sales in spite of deliveries to utilising export opportunities, sustainable practices enhancing market reputation, efficient disease management ensuring better production outcomes and accumulation of retained earnings over the specific period by the Company.





Diseases arising every year in shrimp farming, technological advancements, seamless information sharing, modern farming techniques, and improved quality of feed are reducing their risk levels. Improving shrimp safety and quality are expected to result in higher product offtake and enable superior product pricing.

Proactive policy support by the government: The central government and Andhra Pradesh government have introduced various schemes, benefits to exporters and farmers, and subsidies to promote aquaculture, food processing, and cold chain infrastructure. These are expected to benefit the entire value chain of the Indian shrimp industry. This will assist in accelerating the industry's exports and significantly enhance its global competitive position.

Benefits of adhering to sustainable practices: The integrated nature of the Company's operations and strict adherence to sustainable farming and food processing enables it to produce safe and high quality shrimp products. This consequently helps in fetching premium valuation for its products in exports market, resulting in superior profitability.

Growth in shrimp farming activity: Leveraging the vast coastline of the country and suitable business conditions, shrimp farming areas are witnessing rapid growth in India. This, in turn, is creating a substantial growth potential for the shrimp feed market.

Increasing domestic consumption: Rising popularity of the frozen shrimp in the Indian domestic market along with the rapid increase in cold chain facilities across the country is expected to increase shrimp demand.

SWOT ANALYSIS

STRENGTHS	WEAKNESS
<ul style="list-style-type: none"> • Pioneer in Shrimp Farming • Seamless Integrated Operations • Strong Farmer Network • Extensive Product Range • Licensed for export to various Geographies • Export Certifications & Accreditations 	<ul style="list-style-type: none"> • Constant increase in Cost of Production/ Processing • Regulations on Raw material pricing • Govt Support on Power/Fuel tariffs • Reliance on Government incentives • Susceptibility to Price Volatility
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Increase in seafood consumption globally • Increasing awareness on seafood as source of Protein • Seafoods seen as an alternate for Red meat • Demographic advantages of India • Increasing support from MPEDA • Recent announcements by the Central govt. in support of Shrimps processing industries 	<ul style="list-style-type: none"> • Change in Climate • Ongoing concerns on diseases in cultivation • Increasing duties and other costs such as Ocean freight

WAY FORWARD

1. Exploring new export markets for both shrimp feed and shrimp exports
2. Addressing the issues/challenges impacting the Shrimps processors to mitigate their impact on its operations.

3. Leveraging the domestic consumption and markets. Recognizing this need proactively working on product innovations besides exploring new distribution channels, embracing e-commerce and home deliveries, and optimizing supply chains.
4. Embarking into collaborative approach to widen and strengthen the customer and supplier base.
5. Implementing automation to the extent possible

The Company also employs customer buyback initiatives and a merchant exporter model to address customer default and operational risks. It remains vigilant regarding external factors such as inflation, trade restrictions, and disruptions. To ensure sustainable growth, Sharat Industries pursues diversification into the domestic market, implements traceability systems, and invests in research and development to develop disease-resistant varieties and improved feed formulations. Through these measures, the company seeks to mitigate risks and promote long-term growth in the aquaculture sector.

Human Resources

The total number of employees as on 31st March, 2025 are 146. The Company acknowledges the significance of human resources in achieving its long-term business goals. Keeping cognizance of this, it has developed a comprehensive set of policies that promote a safe, conducive and productive work environment while ensuring growth opportunities based on meritocracy. This has enabled the Company to build a strong and dedicated workforce. The Company ensures equal access to opportunities in the areas of recruitment, training, career development and advancement regardless of their gender, age, racial/ ethnic background, religion or social status.

The Company continually conducts training programmes at its facilities with the assistance of external experts and agencies. Employees are updated on best practices that are followed across each business division through regular external programmes. Frequent audits for high-quality certification for each facility ensures that the Company is abreast with the latest requirements of the aquaculture industry.

Internal Control Systems and their Adequacy

The Company has adequate and well-defined internal control systems for all its operational and financial functions. It ensures proper maintenance of accounting records, reliable financial reporting and safeguards assets against unauthorised use or disposition and that all transactions are properly authorized recorded and reported correctly. The internal controls are reviewed periodically by internal auditors and the management team, ensuring timely compliance with regulations and accurate monitoring of its adequacy. On the basis of the appraisal, potential risks are identified and preventive measures are initiated depending on the perceived gravity of the risk.

Cautionary Statement

This Management's Discussion and Analysis (MD&A) section is included to adhere to the code of Corporate Governance approved by the Securities and Exchange Board of India ("SEBI"). Though, utmost care has been taken to ensure that the opinions expressed by the Management herein contain its perceptions on most of the important trends having a material impact on the Company's day-to-day operations, no representation was made that the following presents an exhaustive coverage on and of all issues related to the same. Further, the discussion following herein reflects the perceptions on major issues as on date and the opinions expressed here are subject to change without notice. The Company undertakes no obligation to publicly update or revise any of the opinions or statements expressed in this report.

BOARD'S REPORT

Dear Shareholders,

Your Director are pleased to present their Thirty-Fifth (35th) Annual Report on the business and operations of your Company along with the audited financial statements, both standalone and consolidated, for the financial year ended 31st March 2025.

1. FINANCIAL HIGHLIGHTS:

Description	Standalone (Rupees in lakhs)		Consolidated (Rupees in lakhs)	
	FY 2024-2025	FY 2023-2024	FY 2024-2025	FY 2023-2024
Revenue from Operation	38,053.48	30,215.92	38,053.48	30,215.92
Other Income	175.95	58.77	175.95	58.77
Total Income	38,229.43	30,274.69	38,229.43	30,274.69
Cost of Materials Consumed	29,518.88	24,370.26	29,518.88	24,370.26
Changes in Inventory	(880.66)	(1,418.75)	(880.66)	(1,418.75)
Employee Benefit Expenses	831.93	720.69	831.93	720.69
Finance Cost	1,147.41	938.78	1,147.41	938.78
Depreciation and Amortization	481.81	469.50	481.81	469.50
Other Expenses	5,727.25	4,428.29	5,727.25	4,428.29
Total Expenses	36,826.62	29,508.77	36,826.62	29,508.77
Profit before Tax & Exceptional Items	1,402.81	765.92	1,402.81	765.92
Share of Profit/(Loss) from Associate	-	-	-	-
Exceptional Items	-	-	-	-
Profit Before Tax	1,402.81	765.92	1,402.81	765.92
Tax Expenses	406.89	178.62	406.89	178.62
Profit after Tax	995.92	587.30	995.92	587.30
Earnings Per Share	-	-	-	-
Basic	3.04	1.90	3.04	1.90
Diluted	3.04	1.90	3.04	1.90

2. SUMMARY OF OPERATIONS & STATE OF COMPANY AFFAIRS:

The turnover of the company for the year ended 31st March, 2025 was ₹ 38053.48 Lakhs against ₹ 30215.92 Lakhs in the previous year. The profit for the year after tax is ₹ 995.92 lakhs as against a profit of ₹ 587.30 lakhs during the previous financial year.

Sharat Industries Limited is among the few companies in India with all four of its operational divisions strategically located within a 5-kilometer radius. This integrated setup enables seamless coordination across divisions, ensuring uninterrupted production throughout the year—effectively mitigating the impact of seasonality typically associated with the industry. The proximity also facilitates faster processing and minimizes logistics time, resulting in superior product quality. In recent years, the Company has made substantial capital investments in both its farming and processing divisions to enhance production capacity and operational efficiency.

3. SHARE CAPITAL:

During the year under review there were no change in authorised share capital of the Company. The authorised share capital of the Company as on 31st March 2025 is ₹ 50,00,00,000/- (Rupees Fifty Crore) divided into 5,00,00,000 Equity shares having face value of ₹ 10/- each.

During the year under review, the Company has issued 1,55,43,125 equity shares having face value of ₹ 10/- each at an issue price of ₹ 31/- per share (including premium of ₹ 21/- per share) on Rights basis in the ratio of 13 equity share for every 20 equity shares held by the existing equity shareholder of the Company. Pursuant to such rights issue, the Company's paid-up capital as on 31st March 2025 is ₹ 39,45,56,250/- divided into 3,75,78,388 equity share comprising of fully paid-up equity share of ₹ 10/- each and 18,77,237 partly paid-up equity share of ₹ 2.50/- paid up.

4. DIVIDEND:

The Board of Directors have recommended a Dividend of ₹ 0.25 paise per equity share of the face value ₹ 10/- each. Dividend is subject to approval of members at the ensuing Annual General Meeting.

5. TRANSFER TO RESERVES:

The Board of Directors of your company has decided not to transfer any amount to the reserves for the year under review.

6. CREDIT RATING:

During the year under review, Credit rating remained unchanged.

Credit Rating Information Service of India Limited (CRISL), affirmed the credit rating as BBB Stable.

7. LISTING OF SHARES:

The Equity shares of the Company have been listed on the BSE Limited. The Company has paid applicable listing fees to the Stock Exchange and Depositories within stipulated time.

8. NATURE OF BUSINESS:

The company continues to be an integrated Aquaculture company with Hatchery, Culture, feed and Shrimp Processing & Exports business and during the year, the company has not changed its business.

9. MATERIAL CHANGES AND COMMITMENTS:

There have been no material changes and commitments, which affect the financial position of the company that have occurred between the end of the financial year to the date of this report.

10. ALTERATION OF MEMORANDUM OF ASSOCIATION

During the year under review, the Company has amended its Articles of Association by altering the clause relating to “Calls on Share” to align with operational requirements. The said amendment was approved by the shareholders through special resolution passed at the (01/2024-2025) Extra-Ordinary General Meeting held on 24th December 2024.

11. INTERNAL CONTROL SYSTEMS AND ITS ADEQUACY:

In accordance with Section 134(5) of the Act, the Company has Internal Financial Control Policies by means of policies & procedures commensurate with size and nature of operations. The Company’s policies, procedures & standards are developed to uphold internal controls across the organisation. These controls ensure transactions are authorised, recorded and reported correctly and assets are safeguarded and protected against loss from unauthorised use or disposition. In addition, there are operational controls and fraud risk controls, covering the entire spectrum of internal financial controls. The controls were tested during the year and no material weakness exists. Audit Committee of the Board, periodically reviews the internal audit plans and observations/recommendations of Internal and Statutory Auditors. In accordance with Rule 8(5) (viii) of Companies (Accounts) Rules, 2014, it is hereby confirmed that the Internal Financial Controls are adequate with reference to the financial statements.

12. ANNUAL RETURN:

Pursuant to the provisions of Section 92(3) and Section 134(3) of the Companies Act 2013 read with rule 12 of the Companies (Management and Administration) Rules 2014 as amended from time to time, the Annual Return of the Company as on 31st March 2025 in e-form MGT-7 is available on Company’s website and can be accessed at https://sharatindustries.com/wp-content/uploads/2025/09/SIL_MGT-7_FY-2024-2025_Draft.pdf

13. DETAILS OF SUBSIDIARIES AND ASSOCIATE COMPANIES:

United Aquatech Private Limited

United Aquatech Private Limited, an associate company based in Nellore, is a Special Purpose Vehicle (SPV) established for the development and operation of shrimp farms at designated project locations. Your Company holds 49% of its equity share capital.

During the year under review, United Aquatech Private Limited did not record any revenue, as compared to revenue of ₹178.68 lakhs in the previous financial year. The company incurred a loss before tax of ₹2.10 lakhs, as against a loss of ₹10.61 lakhs in the previous year.

Pursuant to section 129(3) of the Act, the statement containing the salient features of the financial statements of the Company’s associate is enclosed as Annexure- III of the Board Report.

14. STATUTORY AUDITORS:

M/s A. R Krishnan & Associates, Chartered Accountants (FRN: 009805S) were re-appointed as statutory auditors of the Company for a second term of five (5) consecutive years, to hold office from the conclusion of the 32nd Annual General Meeting held on 29th September 2022 till the conclusion of 37th Annual General meeting.

15. STATUTORY AUDITORS' REPORT:

The Statutory Auditors report for the Financial Year 2024-2025 does not contain any qualification, reservation or adverse remark or disclaimer.

16. CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:

During the year under review, there were no changes in the composition of Board of Directors of the Company. However, the following changes took place in Key Managerial Personnel of the Company:

- i. Resignation of Mr. N. Thyagarajan from the post of Chief Financial Officer with effect from 23rd August 2024.
- ii. Based on the recommendation of the Nomination & Remuneration Committee, Audit Committee, the Board of Directors in the meeting held on 13th September 2024 approved the appointment of Mr. Balasubramanian R as a Chief Financial Officer (Key Managerial Personnel) of the company with effect from 13th September 2024.
- iii. Board of Directors in their meeting held on 02nd December 2024 took note the resignation of Mr. M. Balamurugan (Membership No: A66115) as a Company Secretary & Compliance officer with effect from 30th November 2024.
- iv. Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors in the meeting held on 29th January 2025 approved the appointment of Mr. N. Ganesan (Membership No:8407) as a Company Secretary & Compliance officer.

RE-APPOINTMENT OF DIRECTOR RETIRING BY ROTATION:

In terms of Section 152 of the Companies Act, 2013, Mr. Shanmugam P (DIN: 08877587) is liable to retire by rotation at the ensuing 34th Annual General Meeting and being eligible, offers himself for re-appointment.

The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee has recommended the re-appointment of Mr. Shanmugam P (DIN: 08877587) as Director of the Company.

17. DECLARATION FROM INDEPENDENT DIRECTORS:

The Board of Directors has received declarations from all the Independent Directors of the Company confirming that they meet with criteria of Independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Regulation 16(1)(b) read with Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The Independent Directors have also complied with the Code of Conduct prescribed in Schedule IV to the Act.

In accordance with Companies (Appointment & Qualification of Directors) Fifth Amendment Rules, 2019, Company has received declarations from Independent Directors confirming that they have registered with the Independent Directors Data Bank through Indian Institute of Corporate Affairs.

Information on familiarization program to Independent Directors is provided in the Corporate Governance Report section of this Annual Report.

18. SEPARATE MEETING OF INDEPENDENT DIRECTORS

Separate meeting of Independent Directors was held on 29th January 2025 to review the performance of the Non-Independent Directors and the Board as a whole, to review the performance of Chairperson of the Company and assess the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

19. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 & 134 (5) of the Companies Act, 2013, shall state that:

- a. that the financial statements for the year ended March 31, 2025 have been prepared in conformity with Indian Accounting Standards (Ind AS) and requirements of the Act, and that of guidelines issued by SEBI, to the extent applicable to the Company along with proper explanation relating to material departures;
- b. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March 2025 and of the profit of the company for the year ended on that date;
- c. The directors had 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;
- d. The directors had prepared the annual accounts on a going concern basis;
- e. 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.
- f. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

20. NUMBER OF MEETINGS OF THE BOARD:

During the Financial Year 2024-2025 under review, the Board of Directors of the company met 7 (Seven) times i.e., on 28th May 2024, 27th June 2024, 22nd July 2024, 13th September 2024, 12th November 2024, 02nd December 2024 & 29th January 2025.

The further details relating to the Board meetings are given in Corporate Governance Section of this Annual Report. The gap between any two Meetings was within the period prescribed in the Companies Act 2013 and SEBI LODR.

21. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

As on date of this report, the Board consists of 6 (Six) Directors, of which 2 (Two) are Executive Directors (one Managing Director and one Whole-Time Director), 4 (Four) are Non-executive Directors (Three are Independent and one is Non-Independent) Director. The policy of the Company on Director's appointment and remuneration, including criteria for determining qualifications, independence and other matters as provided under subsection (3) of Section 178 of the Companies Act, 2013 (the Act) is available on the Company's website at <https://sharatindustries.com/wp-content/uploads/2025/06/Nomination-and-Remuneration-Policy.pdf>

22. AUDIT COMMITTEE:

Your Company has an Audit Committee pursuant to the requirements of the Act read with Rules framed there under and SEBI (LODR) Regulations, 2015. The details relating to the same are given in the report on Corporate Governance forming part of this Report. During FY 2024-2025 the recommendations of Audit Committee were duly accepted by the Board.

23. VIGIL MECHANISM/ WHISTLE – BLOWER POLICY:

Pursuant to Section 177(9) of the Companies Act 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has formulated a whistle blower mechanism for directors and employees to report concerns about unethical behavior, actual or suspected frauds or violation of the Company's code of conduct and ethics. The Audit Committee of the Board oversees the functioning of Whistle Blower Policy. The Whistle Blower Policy covering all the employees and directors is available in the Company's website. The Vigil Mechanism Policy has been uploaded on the website of the Company at https://sharatindustries.com/wp-content/uploads/2025/05/sharat_industries_vigil_mechanism_and_whistle-blower_policy.pdf

24. RISK MANAGEMENT:

The risk management is based on the clear understanding of the variety of risks that the organization faces, disciplined risk monitoring and measurement and continuous risk assessment and mitigation reserves.

25. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

a. Conservation of energy

S.No	Particulars	FY 2024-2025
(i)	the steps taken or impact on conservation of energy	To be plan to replacement of all ACBs at main control room.
(ii)	The steps taken by the company for utilizing alternate sources of energy	Replacement of old 725 KVA DG set and synchronization setups
(iii)	the capital investment on energy conservation equipment's	1. Planning the solar projects at 1.50 MV DC to 1.2 MV AC with complete paneling & metering etc. 2 The Company has inducted Electric Vehicles (EVs) into its fleet to encourage the use of green energy, reduce dependence on fossil fuels, and minimize carbon emissions.

b. Technology absorption:

S.No	Particulars	FY 2024-2025
(i)	The efforts made towards technology absorption	Installed evaporative condenser no. 3 for replacement of old and commissioned to carry to production full load
(ii)	Benefits derived like product improvement, cost reduction, product development or import substitution	Installed all VFD drives to system motors/ compressor units

S.No	Particulars	FY 2024-2025
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)	Screw compressor low side to be replace at machine room
	(a) details of technology imported	System upgraded with drives an operation
	(b) the year of import;	2024-2025
	(c) whether the technology been fully absorbed	Yes 90% of technology absorbed
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	One old screw compressor is replaced with new motor and another one will be planned soon
(iv)	The expenditure incurred on Research and Development	₹ 24-25 Lakhs

26. FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year under review, the details of Foreign Exchange Earnings and outgo are as under:

Particulars	FY 2024-2025 (Rs. in lakhs)	FY 2023-2024 (Rs. in lakhs)
Foreign Exchange	₹ 27787.17/-	₹ 21,080.71/-
Foreign Outgo	₹ 322.74/-	₹ 418.93/-

27. CORPORATE SOCIAL RESPONSIBILITY(CSR):

In terms of Section 135 of the Companies Act 2013 read with CSR rules, your company during the year 2023-2024 spent ₹ 14.61 Lakhs being the two percent of the average net profit of your Company during the three preceding financial year in accordance with CSR policy of the Company.

Annual Report on CSR initiatives as required under the Companies (Corporate Social Responsibility Policy) Rules 2014, as amended (CSR Rules) is annexed as **Annexure –I** and forms part of this report.

28. CORPORATE GOVERNANCE:

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), a Compliance report on Corporate Governance as per Schedule V of the Listing Regulations, along with a Certificate of Compliance from the Practicing Company Secretary forms part of this report. **Annexure – VI**

29. DEPOSITS

During the year under review, your Company has not invited or accepted any deposits from the public under Section 76 of the Companies Act, 2013 and Rules made there under.

30. PARTICULARS OF EMPLOYEES REMUNERATION:

The information as required under the provisions of Section 197(12) of the Companies Act, 2013 and read with Rule 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial

Personnel) Rules, 2014, are set out in **ANNEXURE - V** attached herewith which forms part of this report.

The statement containing such particulars of employees as required in terms of the provisions of Section 197(12) of the Act read with rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of the Annual Report. Pursuant to the provisions of the Section 136(1) of the Companies Act, 2013, the reports and accounts, as set out therein, are being sent to all members of the Company, excluding the aforesaid information and the same is open for inspection at the registered office of the Company during working hours up to the date of Annual General Meeting and if any member is interested in obtaining such information, may write to the Company Secretary at the registered office of the Company in this regard.

31. MANAGERIAL REMUNERATION RECEIVED FROM THE COMPANY, HOLDING OR SUBSIDIARY COMPANY:

During the year, the Company does not have holding or subsidiary Company.

Name	Designation	Remuneration received from the Company for the FY 2024-2025 (Rs. in Lakhs)
Mr. Prasad Reddy Sabbella	Managing Director	72.00/-
Mr. Sharat Reddy Sabbella	Whole-Time Director	60.00/-

32. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 DETAILS OF LOANS:

During the year under review, the Company has not given any loan, guarantee or made Investment as per the provisions of Section 186 of the Companies Act 2013.

33. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All the related party transactions entered during the year were in ordinary course of business and on arm's length basis.

There are no materially significant related party transactions that may have potential conflict with interest of the company at large.

The details of the related party transactions as per Indian Accounting Standards (Ind AS) – 24 are set out in the notes to the Financial Statements of the Company.

Form AOC-2 pursuant to Section 134 (2) (h) of the Companies Act, 2013 read with Rule 8 (2) of the Companies (Accounts) Rules, 2014 is set out the **Annexure – IV** to the report.

The policy on Related Party Transaction as approved and can be accessed at the website of the Company <https://sharatindustries.com/wp-content/uploads/2025/06/Related-Party-Transaction-Policy.pdf>

34. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETING:

During the Financial Year 2024-2025, your company has complied with applicable Secretarial Standards, namely SS-1, SS-2 & SS-3 issued by Company Secretaries of India.

35. ANNUAL SECRETARIAL COMPLIANCE REPORT

Annual Secretarial Compliance report for the Financial Year ended 31st March 2025 on the compliance of all applicable SEBI regulation and circulars/guidelines, issued by M/s. BP & Associates, Practicing Company Secretaries, Chennai was submitted to BSE Limited.

36. SECRETARIAL AUDITOR

In terms of Section 204(1) of the companies Act 2013, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Board of Directors has appointed M/s. BP & Associates, Practicing Company Secretaries, Chennai as Secretarial Auditors of the Company for conducting the Secretarial Audit for the financial year 2024-2025. The report of the Secretarial Auditor is **Annexure –II** to this report.

The Secretarial Audit report for the financial year ended 31st March 2025 contains qualification and clarification by the Board is as follows:

S. No	Observations/Remarks	Response by the Company
1.	The Company has not followed the procedure for reclassification of Promoters as per the Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.	The Company is continuously initiating appropriate steps to file a fresh application under Regulation 102 of SEBI (LODR) Regulation 2015 seeking dispensation or relaxation of strict compliance with respect to regulation 31A of SEBI (LODR) Regulation 2015 for rectifying the errors as soon as possible due to incorrect classification of certain public shareholders under promoter's category.

Further, pursuant to the amended provisions of Regulation 24A of the Listing Regulations and Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors have approved and recommended the appointment of M/s. BP & Associates, (Peer Review No:7014/2025) (Firm Registration number P2015TN040200) as Secretarial Auditors of the Company for a term of up to 5(Five) consecutive years to hold office from the conclusion of ensuing 35th AGM till the conclusion of 39th AGM of the Company to be held in the Year 2030, for approval of the Members at ensuing AGM of the Company. Brief profile and other details of M/s. BP & Associates Company Secretaries in Practice, are separately disclosed in the Notice of ensuing AGM.

37. INTERNAL AUDIT:

Pursuant to Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014 and all other applicable provisions (including any amendment thereto) if any of the Companies Act, 2013, M/s. P S S & CO Chartered Accountants, Chennai were re-appointed as the Internal Auditors of the Company for the Financial Year 2024-2025.

38. COST AUDIT:

The provisions of the Cost Audit are not applicable to the Company.

39. MANAGEMENT DISCUSSION AND ANALYSIS REPORT.

Management Discussion and Analysis Report of the company for the year under review as required under Regulation 17 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 is included in this report.

40. SIGNIFICANT OR MATERIAL ORDERS PASSED BY REGULATORS/COURTS/TRIBUNAL

There are no significant and material order passed by the regulators or court or tribunal impacting the going concern status and the Company's operations in future.

41. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT , 2013

The Company has in place an Internal Complaints Committee (ICC) in compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the financial year 2024-2025

- Number of Complaints Received : Nil
- Number of complaints disposed of : Nil
- Number of cases pending for more than 90 days : Nil

The Company is committed to providing a safe and respectful work environment for all its employees, and necessary awareness programs are conducted from time to time.

42 COMPLAINT UNDER MATERNITY BENEFIT ACT 1961

The Company has complied with the applicable provisions of the Maternity Benefit Act, 1961. All eligible women employees have been extended the benefits as prescribed under the Act. The Company remains committed to supporting working mothers and promoting a gender-inclusive workplace.

43. MECHANISM FOR BOARD EVALUATION:

Regulation 17(10) of SEBI (LODR) Regulations, 2015 states that the Board shall monitor and review the Board evaluation framework. The Companies Act, 2013 states that a formal Annual Evaluation needs to be made by the Board of its own performance and that of its committees and individual Directors.

Schedule IV of the Companies Act, 2013 states that the performance evaluation of the Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated.

The Directors evaluation was broadly based on the parameters such as understanding of the Company's vision and objective, skills, knowledge and experience, participation and attendance in Board/Committee meetings; governance and contribution to strategy; interpersonal skills etc.

The Board has carried out the annual performance evaluation of its own performance the Directors individually as well as evaluation of the working of its Board Committees. A structured questionnaire was prepared covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board Culture, execution and performance of specific duties, obligations and governance.

44. PREVENTION OF INSIDER TRADING:

The Company has a policy viz., Code of Conduct to regulate, monitor and report trading by designated person and same has been posted on the website of the company <https://sharatindustries.com/wp-content/uploads/2025/06/Code-of-Conduct-for-Regulating-Monitoring-and-Reporting-of-Trading-by-Insiders.pdf>

45. PERSONNEL:

The relations between the management and the staff were very cordial throughout the year. Your Directors take this opportunity to record their appreciation for the co-operation and loyal services rendered by the employees.

46. GENERAL

Your directors state that no disclosure or reporting is required of the following matter as there were no transaction on these matters during the year under review:

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares to employees of the Company under any scheme.
- No instance of fraud reported by the Auditors under section 143 (12) of the Act.
- There are no proceedings pending under the Insolvency and Bankruptcy code, 2016.
- There was no instance of one-time settlement with any Banks or financial institution.

47. ACKNOWLEDGEMENTS:

Your Directors gratefully acknowledge with thanks the constructive guidance and co-operation extended by MPEDA, Axis Bank Limited and Government of Andhra Pradesh, Tamil Nadu and also to employees at all levels, suppliers, dealers and customers for their strong support.

Your Directors also thank the shareholders for their continued confidence and trust placed by them with the Company.

By Order of the Board of Directors
For **SHARAT INDUSTRIES LIMITED**

Place: Nellore
Date: 02nd September 2025

S. Prasad Reddy
Managing Director
DIN: 00069094

S. Sharat Reddy
Whole-time Director
DIN:02929724

CORPORATE SOCIAL RESPONSIBILITY (CSR)

ANNEXURE I

Your Company has constituted Corporate Social Responsibility (CSR) pursuant to the provision of Section 135 of the Companies Act 2013 read with Companies (Corporate Social Responsibility Policy) Rule 2014 are provided herein below:

1. A brief outline of the Company's CSR policy:

Our CSR activities focus on Empowerment of the underprivileged sections of the society through education, access to and awareness about financial services and any other programme that falls under our CSR policy and is aimed at the empowerment of underprivileged sections of the society.

2. Composition of CSR committee:

As on date of this report, the CSR committee comprise of the following members:

S.No	Name of the Member	Designation/Nature of Directorship	Number of Meetings of CSR committee held during the year	Number of Meetings of CSR committee attended during the year
1.	Mr. Sharat Reddy Sabbella	Chairman, Whole Time Director	2	2
2.	Mr. Prasad Reddy Sabbella	Member, Managing Director	2	2
3.	Mr. Harihar Venkata Muthyam	Member, Non-Executive Independent Director	2	2
4.	Mr. Swayze Mani	Member, Non-Executive Independent Director	2	2

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:

The Composition of CSR Committee	https://sharatindustries.com/wp-content/uploads/2025/05/composition_of_board_committee-1.pdf
CSR Policy	https://sharatindustries.com/wp-content/uploads/2025/05/csr_policy_sil.pdf
CSR Projects approved by the Board	https://sharatindustries.com/wp-content/uploads/2025/05/csr_policy_sil.pdf

4. Provide the Executive Summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of Rule 8, if applicable

Not Applicable

5. Details of the amount available to set-off in pursuance of the sub-rule (3) of the rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any (Rs. in Lakhs)

S.No	Financial year	Amount available for set-off from preceding financial years	Amount required to be setoff for the financial year, if any
1.	2024-2025	-	-

6. Average Net profit of the Company as per Section 135(5)

The average net profit of the Company as per section 135(5) was ₹ 730.58 Lakhs

7. (a) Two percent of average net profit of the Company as per Section 135(5):

Two percent of average net profit of the Company as per Section 135(5) is ₹ 14.61 lakhs

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years - Nil

Nil, since no CSR projects or programmes or activities were carried out by the Company in the previous financial years.

(c) Amount required to be set off for the financial year if any: - Nil

(d) Total CSR obligations for the financial year (7a+7b-7c) - ₹ 14.61 lakhs

8. (a) CSR amount spent or unspent for the Financial Year:

Total Amount spent for the Financial Year (in ₹ Lakhs)	Amount Unspent (in Crore)				
	Total amount transferred to Unspent CSR account as per Sub- Section (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (6) of Section 135		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
₹ 14.61	-	-	-	-	-

(b) Details of CSR amount spent against ongoing projects for the financial year: NA

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

- 10.** Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If Yes, enter the number of Capital assets created/ acquired - Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

S.No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Amount of CSR amount spent (in ₹Lakhs)	Details of Entity / Authority/ Beneficiary of the Registered Owner		
				CSR Registration Number, if applicable	Name	Registered Address
Not Applicable						

- 11.** Specify the reason(s), if the Company has failed to spend two per cent of the average Net Profit as per sub-section (5) of section 135 - Not Applicable.

By Order of the Board of Directors
For **SHARAT INDUSTRIES LIMITED**

Place: Nellore
Date: 02nd September 2025

Sharat Reddy Sabbella
Chairman of CSR Committee
DIN:02929724

Prasad Reddy Sabbella
Member of Committee
DIN:00069094

ANNEXURE-II**Form No. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2025**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Sharat Industries Limited
Venkannapalem Village TP Gudur Mandal,
Nellore- 524002, Andhra Pradesh.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sharat Industries Limited (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of Sharat Industries Limited’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit,

We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by Sharat Industries Limited for the financial year ended on 31st March, 2025 according to the applicable provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contract (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

- d.** Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the Company during the audit period)
- e.** The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- f.** Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- vi.** The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- vii.** Other laws applicable to the Company as per the representations made by the Management;

With respect to Fiscal laws such as Income Tax and Goods and Service Tax we have reviewed the systems and mechanisms established by the Company for ensuring compliances under various acts and based on the information and explanation provided to us by the management and officers of the company and also on verification of compliance reports taken on record by the Board of Directors of the Company, we report that adequate systems are in place to monitor and ensure compliance of fiscal laws as mentioned above.

We have also examined compliance with the applicable clauses of the following:

- i.** Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively, issued by The Institute of Company Secretaries of India have been generally complied with.
- ii.** During the period under review the Company has Complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:
 - 1.** The Company has not followed the procedure for reclassification of Promoters as per the Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

During the period under review there were no events which required specific compliance of the provisions of

- i.** The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021
- ii.** The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- iii.** The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice has been given to all directors to schedule the board meetings, agenda and detailed notes on the agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We have relied on the representation made by the Company, its officers and Reports of the Statutory Auditor for relating to maintenance of account as required under rule 3(1) of the Companies (Accounts) rule 2014, statutory payment due, systems and mechanism framed by the Company for the compliance under other Acts, Laws and Regulations applicable to the Company.

We report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

We further report that during the audit period, the following significant events have taken place

- i. Issue and allotment of 1,55,43,125 equity shares with a face value of ₹ 10/- each for cash, at a price of ₹ 31/- each including a share premium of ₹ 21 per equity share, for an aggregate amount of ₹ 4818.37 lakhs, on rights basis, in the ratio 13 equity share held for every 20-equity share held by the existing equity shareholders.
- ii. Resignation of Mr. N. Thyagarajan Chief Financial Officer of the Company with effect from 23rd October 2024.
- iii. Appointment of Mr. Balasubramanian R Chief Financial Officer of the Company with effect from 13th September 2024.
- iv. Resignation of Mr. M. Balamurugan (Membership No: A66115) Company Secretary & Compliance officer of the Company with effect from 30th November 2024.
- v. The Shareholders of the Company in its Extra-Ordinary General Meeting dated 24th December 2024 approved the change in point No. 22 (i) Calls on shares of the Articles of Association of the Company (AOA).
- vi. Appointment of Mr. Ganesan Nilakanatan (Membership No: A8407) Company Secretary & Compliance officer with effect from 29th January 2025.

For BP & Associates
Company Secretaries
Peer Review No: 7014/2025

Prabhakar Chandrasekaran
Partner
M.NO:F11722| CP NO: 11033
UDIN:F011722G001144392

Place: Chennai

Date: 02nd September 2025

ANNEXURE A

To
The Members,
Sharat Industries Limited
Venkannapalem Village TP Gudur Mandal
Nellore, 524002 Andhra Pradesh

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Account of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For BP & Associates
Company Secretaries
Peer Review No: 7014/2025**

**Prabhakar Chandrasekaran
Partner
M.NO:F11722| CP NO: 11033**

Place: Chennai

Date: 02nd September 2025

ANNEXURE- III**FORM AOC-1****Part –B**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(Rs. In Lakhs except number of Shares)

Name of the Associate	United Aquatech Private Limited
1. Latest Audited Balance Sheet Date	31 st March 2025
2. Shares of the Associate held by the Company on the Year end	
Number of shares	49000
Amount of Investment in Associate	Rs. 4.90
Extent of Holding %	49%
3. Description of how there is significant influence	There is a significant influence due to percentage (%) of share capital
4. Reason why the associate is not consolidated	-
5. Networth attributable to Shareholding as per latest audited Balance Sheet	(11.15)
6. Loss for the year	(2.10)
i. Considered in Consolidation	-
ii. Not Considered in Consolidation	(2.10)

- Names of associates or joint ventures which are yet to commence operations. - NA
- Names of associates or joint ventures which have been liquidated or sold during the year- NA

For and on behalf of the Board of Directors

For A.R.Krishnan & Associates
Chartered Accountants
F.R. No. 009805S

S. Prasad Reddy
Managing Director
DIN: 00069094

S. Sharat Reddy
Whole-Time Director
DIN: 02929724

B. Anandaramakrishnan
Partner
M.No. 209122

Balasubramanian R
Chief Financial Officer

Ganesan N
Company Secretary

Date: 29th May 2025

ANNEXURE-IV
Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis - NIL

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts /arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any
- (e) Justification for entering into such contracts or arrangements or transactions
- (f) Date(s) of approval by the Board
- (g) Amount paid as advances, if any:

Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of material contracts or arrangement or transactions at arm's length basis. (₹. In Lakhs)

S.No	Name of Related Party and nature of Relationship	Nature of contact / Agreement/ Transaction	Value of Transaction	Duration of the Contract	Salient terms of The contract	Date of Approval by the Board/ Audit Committee	Amount as paid as advance if any
01.	Katyayini Aquatech Private Limited (Private Limited Company in which a relative of Director is Director and member)	Sale of Goods	2092.57	Year on Year Basis	The related party Transaction entered into during the year were in ordinary course and arm's length Basis	29 th May 2025	Nil
		Purchase of Goods and Services	2434.03	Year on Year Basis			Nil

02.	SP Enterprise (Partnership Firm in which Director and relative of Director are partners)	Sale of Goods	1839.83	Year on Year Basis	The related party Transaction entered into during the year were in ordinary course and arm's length Basis	29 th May 2025	Nil
		Purchase of Goods and Services	2058.85	Year on Year Basis			Nil
03.	Mrs. Devaki Reddy Sabbella relative of Mr. S. Prasad Reddy, Managing Director	Lease of office premises	9.17	Year on Year basis	The lease rent paid by the company shall not exceed the similar facilities in the location	29 th May 2025	Nil

By Order of the Board of Directors
For **SHARAT INDUSTRIES LIMITED**

Place: Nellore
Date: 02nd September 2025

S. Prasad Reddy
Managing Director
DIN: 00069094

S. Sharat Reddy
Whole-time Director
DIN: 02929724

ANNEXURE -V**Statement of Disclosure of Remuneration under Section 197 of the Companies Act 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) rules 2014**

- 1. The ratio of the remuneration to Key Managerial Personnel to the median remuneration of the Employees of the Company for the Financial Year ended 31st March 2025 and Percentage Increase in remuneration compared to last financial year:**

Particulars	Remuneration for the FY 24-25 (Rs. In Lakhs)	% in Increase in remuneration compared to last FY	Ratio to median remuneration of Employees
Managing Director			
Mr. Prasad Reddy Sabbella	72.00	-	27:3
Whole Time Director			
Mr. Sharat Reddy Sabbella	60.00	-	22:1
Chief Financial Officer			
Mr. Balasubramanian R [#]	13.2	-	9:1
Company Secretary			
Mr.N.Ganesan ^{\$}	3.00	-	7:1

Appointed with effect from 13th September 2024

\$ Appointed with effect from 29th January 2025

- 2. Percentage Increase/Decrease in the median remuneration of the employees in the financial year ended 31st March 2025**

There was Increase/decrease in the median remuneration by 18.9%

- 3. No. of Employees on the rolls of the Company as on 31st March 2025: 146**

- 4. Average percentile increases 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, pointing out if there are any exceptional circumstances for increase in the managerial remuneration.**

Particulars	FY 2023-2024 (Rs. In Lakhs)	FY 2024-2025 (Rs. In Lakhs)	% Increase/(Decrease)
Employees Salary	588.67	699.93	4.49%
Managerial Remuneration	132.00	132.00	-

5. Affirmation that the remuneration is as per the remuneration policy of the Company:

Your Company affirms that the remuneration to Directors and Key Managerial Personnel is as per the Remuneration Policy of the Company.

The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the Members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection. Any Member interested in obtaining a copy of the same may write to the Company Secretary at cs@sharatindustries.com.

By Order of the Board of Directors
For **SHARAT INDUSTRIES LIMITED**

Place: Nellore
Date: 02nd September 2025

S. Prasad Reddy
Managing Director
DIN: 00069094

S. Sharat Reddy
Whole-time Director
DIN: 02929724



ANNEXURE VI

REPORT ON CORPORATE GOVERNANCE

Pursuant to Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a report on Corporate Governance in accordance with the SEBI prescribed format is given below:

MANDATORY REQUIREMENTS:

1. COMPANY'S PHILOSOPHY:

Good corporate governance is an essential condition for sustainable business that aims at generating long term value to its stakeholder. The Company believes that strong governance standards, focusing on fairness transparency, accountability and responsibility are vital, not only healthy and vibrant corporate sector growth, but also for inclusive growth of the economy. The Company's philosophy on corporate governance oversees business strategies and ensured fiscal accountability, ethical corporate behavior..

The Governance philosophy of the Company is not limited to confirming of compliance of laws but it is a blend of both legal and management practices to embed the same in decision making process. The Company has been practicing best principles from the stage of conceptualization of products till providing of services to consumers after sales.

2. BOARD OF DIRECTORS

2.01 COMPOSITION OF BOARD:

The Company has constituted the Board in consonance with the requirement of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The strength of the Board of Directors is 6 (Six) with 2 (Two) Executive Directors (one Managing Director and one Whole -time Director), 4 (Four) Non-executive Directors (Three Independent and one Non-Independent Director). The Independent Directors are having vast experience in the industry, finance and general expertise to handle and guide the operation towards betterment. They take active part in the Board and Committee Meetings.

S.No.	DIRECTORS NAME	DESIGNATION
1.	Mr. Prasad Reddy Sabbella	Managing Director
2.	Mr. Sharat Reddy Sabbella	Whole time Director
3.	Mr. Harihar Venkata Muthyam	Non-Executive, Independent Director
4.	Mr. Shanmugam	Non-Executive, Non-Independent Director
5.	Mr. Swayze Mani	Non-Executive, Independent Director
6.	Mrs. Geetha Adhyam Bindu	Non-Executive, Independent Director

2.02 None of the Directors on the Board:

- a. Holds Directorships in more than ten public companies.
- b. Serves as Director or as an Independent Director in more than seven listed Companies as required under Regulation 17A of Listing Regulation.
- c. Who are the Executive Directors serves as Independent Director in more than 3 listed entities.

- d. is member of more than 10 committees or chairperson of more than 5 committees across all the Companies in which he/she is a Director as required under regulation 26 (1) of Listing Regulation.

2.03 Information of Board of Directors and Attendance:

During the year under review the Board of Directors of the company met seven (7) times. viz., 28th May 2024, 27th June 2024, 22nd July 2024, 13th September 2024, 12th November 2024, 02nd December 2024 & 29th January 2025.

The attendance particulars of each Director at the Board Meetings and last Annual General Meeting are as follows:

Name of Director / Designation	No of Board meetings attended during the year	Last AGM (held on 30 th September 2024) Attended	Directorships Held in Companies (Excluding Sharat Industries Limited)#	No of other Committees (other than Sharat Industries Limited) in which Chairman / Members
Mr. Prasad Reddy Sabbella Chairman/ Managing Director	6	Yes	Nil	Nil
Mr. Sharat Reddy Sabbella Whole-Time Director	7	Yes	1	Nil
Mr. Harihar Venkata Muthyam (Non- Executive Independent Director)	5	Yes	1	Nil
Mr. Shanumugam (Non –Executive Non-Independent Director)	5	Yes	Nil	Nil
Mr. Swayze Mani (Non- Executive Independent Director)	4	Yes	1	Nil
Mrs. Geetha Adhyam Bindu (Non- Executive Independent Director)	7	Yes	1	Nil

#Note: As on 31st March 2025, none of the Directors holds any Directorship in other Listed Companies.

2.04 Disclosure of relationships between directors inter-se:

Mr. Prasad Reddy Sabbella, Managing Director is father of Mr. Sharat Reddy Sabbella, Whole-Time Director.

None of the other Directors are related to any other Director on the Board.

2.05 Number of Shares and Convertible instruments held by Non-Executive Director:

None of the Non-executive Directors holds any share in the company.

2.06 Details of familiarization programmers for Independent Directors

The details of the Familiarization Programmers for Independent Directors are available at the Company's website, at the following link <http://www.sharatindustries.com/shareholder-information.html>

A Code of Conduct has been laid out for all Members of the Board and Senior Management suitably incorporating the duties of Independent Directors as laid down in the Companies Act, 2013. The Code is available at the Company's website at the following link at <http://www.sharatindustries.com/shareholder-information.html>

The minimum information to be placed before the Board of Directors at their meeting, as specified in Part A of Schedule II of SEBI (LODR) Regulations, 2015 have been adequately complied with.

2.07 Confirmation that in the opinion of the Board, the Independent Directors fulfill the conditions specified in these regulations and is Independent of the management:

The Board of Directors be and is hereby confirm that in the opinion of the Board, the Independent Directors fulfill the conditions specified by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they are Independent of the management.

2.08 Detailed reasons for the resignation of an Independent Director who resigns before the expiry of his tenure along with a confirmation by such Director that there are no other material reasons other than those provided: Not Applicable.**2.09 List of core Skills / expertise / Competencies required in the Company's Board to enable it function effectively and those actually available**

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

S.No	Skills/ Expertise/ Competence identified by Board	Mr. S. Prasad Reddy	Mr. S. Sharat Reddy	Mr. Harihar Venkata Muthyam	Mr. Shanmugam	Mr. Swayze Mani	Ms. Geetha Adhyam Bindu
1	Knowledge on Company's businesses, policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates.	✓	✓	✓	✓	✓	✓

S.No	Skills/ Expertise/ Competence identified by Board	Mr. S. Prasad Reddy	Mr. S. Sharat Reddy	Mr. Harihar Venkata Muthyam	Mr. Shanmugam	Mr. Swayze Mani	Ms. Geetha Adhyam Bindu
2.	Behavioral skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company.	✓	✓	✓	✓	✓	✓
3.	Business Strategy, Forex Management, Administration, Decision Making, Sales & Marketing.	✓	✓	✓	✓	✓	✓
4	Corporate Governance & Compliance	✓	✓	✓	✓	✓	✓
5	Financial and Management skills	✓	✓	✓	✓	✓	✓
6	Technical / Professional skills and specialized knowledge in relation to Company's business	✓	✓	✓	-	✓	✓

3. CHANGES IN DIRECTORS & KEY MANAGERIAL PERSONNEL

There are no changes in the Board of Directors of the Company.

KEY MANAGERIAL PERSONNEL:

- i. Resignation of Mr. N. Thyagarajan from the post of Chief Financial Officer with effect from 23rd August 2024.
- ii. Based on the recommendation of the Nomination & Remuneration Committee, Audit Committee, the Board of Directors in the meeting held on 13th September 2024 approved the appointment of Mr. Balasubramanian R as a Chief Financial Officer (Key Managerial Personnel) of the company with effect from 13th September 2024.
- iii. Board of Directors in their meeting held on 02nd December 2024 took note the resignation of Mr. M. Balamurugan (Membership No: A66115) as a Company Secretary & Compliance officer with effect from 30th November 2024.
- iv. Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors in the meeting held on 29th January 2025 approved the appointment of Mr. N. Ganesan (Membership No:8407) as a Company Secretary & Compliance officer.

4. AUDIT COMMITTEE

4.01 Terms of Reference

The committee acts as a bridge between the Board, the Statutory Auditors and the internal auditors. The Committee functions as per the provisions of regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 177 of Companies Act, 2013. The responsibilities of the Committee, inter-alia, include:

- (a) Overall review of the Company's periodical financial statements; financial reporting process; disclosure policies and ensuring that they are appropriate, accurate and credible and more particularly:
 - a. To select and establish accounting policies and changes if any in accounting policies and procedures.
 - b. To answer qualifications if any given in the draft auditors' report.
 - c. On the major entries made in the accounts based on the exercise of judgment made by the management.
 - d. The Going Concern concept assumption.
 - e. Compliance with the Accounting Standards as prescribed by ICAI.
 - f. Compliance with requirements of stock exchanges and legal requirements concerning the financial statements.
 - g. To review management discussion and analysis of financial condition and results of operation.
 - h. To review statement of significant related party disclosures submitted by the management.
 - i. To evaluate internal financial controls and risk management systems.
- (b) Recommending the appointments and removal of external auditor, fixation of audit fee and also approval for payment for other services.
- (c) Periodic review of the adequacy of the internal audit, internal controls and discussions with the external auditors thereon. Depending upon the necessity the senior personnel from the concerned department are called to the meeting.

The Company Secretary serves as the Secretary to the Committee.

4.02 Composition & Meetings

The committee comprises of Non-Executive Independent Directors. As on 31st March 2025, the composition of the committee is as follows:

S.No	Name of the Member	Description
1	Mrs. Geetha Adhyam Bindu	Chairperson, Independent Director
2.	Mr. Harihar Venkata Muthyam	Member, Independent Director
3.	Mr. Swayze Mani	Member, Independent Director

During the financial year 2024-2025, Five (5) meetings of the Audit Committee were held viz., on 28th May 2024, 22nd July 2024, 13th September 2024, 12th November 2024 and 29th January 2025. All members of Audit Committee have knowledge of financial management, audit and accounts. The statutory auditors, the internal auditors and senior management were invited to attend all the meetings of the committee.

4.03 Attendance of Directors

Name of Director/Member	No. of Meetings Held	No. of Meetings Attended
Mrs. Geetha Adhyam Bindu	5	5
Mr. Harihar Venkata Muthyam	5	4
Mr. Swayze Mani	5	4

All the recommendations made by the Audit Committee were accepted by the Board.

5. NOMINATION AND REMUNERATION COMMITTEE:

5.01 Terms of Reference

The Committee was constituted in terms of the requirement of Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of Companies Act, 2013. The responsibility of the committee includes:

- To formulate criteria for determining qualifications, positive attributes and independence of a director.
- To identify persons who are qualified to become Directors and Key Managerial Personnel in accordance with the criteria laid down in this policy and recommend their appointment to Board.
- To formulate criteria for evaluation of Directors, the Board and various Committees of the Board.
- To carry out evaluation of Director's performance.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Senior Management Personnel.
- Succession planning for replacing Key Executives and overseeing the Implementation of the same.

The Company Secretary serves as the Secretary to the Committee.

5.02 Composition & Meetings

The Committee comprises of 3 Non-Executive Independent Directors. As on 31st March 2025, composition of the committee is as follows:

S.No	Name of the Member	Description
1	Mrs. Geetha Adhyam Bindu	Chairperson, Independent Director
2.	Mr. Harihar Venkata Muthyam	Member, Independent Director
3.	Mr. Swayze Mani	Member, Independent Director

5.03 Attendance of Members:

Name of Director/Member	No. of Meetings Held	No. of Meetings Attended
Mrs. Geetha Adhyam Bindu	3	3
Mr. Harihar Venkata Muthyam	3	3
Mr. Swayze Mani	3	2

The committee met thrice during the Financial Year 2024-2025 viz., 22nd July 2024, 13th September 2024 & 29th January 2025.

5.04 Performance Evaluation Criteria for Independent Directors

The Nomination and Remuneration Committee has devised criteria for evaluation of the performance of the Directors including Independent Directors. Their criteria provide for certain parameters below

- (a) Attendance at Meetings - attendance at Board Meetings, General and Committee meetings.
- (b) Other Directorships held by the Non-Executive Director in listed or unlisted Companies.
- (c) Other companies in which Non-Executive Director is a chairperson.
- (d) Participation at Board/Committee meetings.
- (e) Review of Financial Statements, risks and business performance
- (f) Time devoted towards discussion with Management.

The performance evaluation of the Chairman and the Non-independent Directors was carried out by the Independent Directors; the Directors expressed their satisfaction with the evaluation process.

6. REMUNERATION OF DIRECTORS**6.01 Pecuniary relationship or transaction of the Non-Executive Director vis-à-vis the Company**

There were no pecuniary relationships or transactions of the non - executive directors 'vis-à-vis the company during the Financial Year ended March 31, 2025 except payment of remuneration by way of sitting fees as disclosed below

6.02 Criteria of Making Payment to Non-Executive Directors

The Company has formulated and laid down the criteria for making payment to the Non-executive Director as enumerated in the Nomination and Remuneration policy which is accessed in the website of the Company www.sharatindustries.com

6.03 Disclosure with respect to remuneration

Disclosures with respect to remuneration paid during the financial year ended March 31, 2025 as per the Companies Act, 2013

Remuneration Paid to Non-executive Director

The details of the remuneration (sitting fees) paid to non-executive directors during the financial year ended 31st March 2025 is given below

S.No	Name of the Non-Executive Directors	Sitting Fees Paid (Rs. in Lakhs)*
1	Mr. Harihar Venkata Muthyam	0.88
2.	Mr. Shanmugam	0.50
3.	Mr. Swayze Mani	0.78
4.	Mrs. Geetha Adhyam Bindu	1.11
	Total	3.27

*Excluding GST which was paid through RCM

Remuneration paid to Executive Director (Rs. in Lakhs)

Name of Director	Salary	Perquisites	Contribution to PF	Total
Mr. S. Prasad Reddy	72	-	-	72
Mr. S. Sharat Reddy	60	-	-	60

There is no performance linked incentives or stock option for any of the Directors. The remuneration given above is fixed components. The tenure of office of the Managing Director and Whole time Executive Director is for a period of three years from the date of appointment, being promoter Directors, no service contract has been stipulated for them.

7. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

7.01 The Committee, inter-alia, approves issuance of duplicate share certificates as well as oversees and reviews all matters connected with the securities transfer, transmission, nomination, dematerialization and rematerialisation including redressing grievances related thereto. The Committee also considers redressing of shareholder's complaints relating to non-receipt of notices/annual reports and dividends etc.

7.02 The committee comprises Non-Executive Independent Directors. As on 31st March 2025, composition of the committee is as follows:

S. No.	Name of the Member	Description
1	Mrs. Geetha Adhyam Bindu	Chairperson, Independent Director
2.	Mr. Harihar Venkata Muthyam	Member, Independent Director
3.	Mr. Swayze Mani	Member, Independent Director

The Company Secretary serves as the Secretary to the Committee.

During the financial year ended on 31st March, 2025 the Shareholder's Relationship Committee met 4 times (four) viz., 28th May 2024, 22nd July 2024, 12th November 2024 & 29th January 2025.

The attendance of the members of the Stakeholder's Relationship Committee is as follows:

Name of Director / Member	No. of Meetings Held	No. of Meetings Attended
Mrs. Geetha Adhyam Bindu	4	4
Mr. Harihar Venkata Muthyam	4	3
Mr. Swayze Mani	4	4

- (i) The Details of Shareholders Complaints during the financial year ended 31st March 2025 are given below

No. of Investors Complaints pending at the beginning of the Year 2024-2025	No. of Complaints received during the year 2024-2025	No. of Complaints Resolved during the year 2024-2025	No. of Complaints remaining unresolved during the Year 2024-2025
0*	21	21	0*

*Based on the Quarterly Investor's Grievance Report submitted to the stock exchanges pursuant to Regulation 13 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the Financial Year ended 31st March 2025.

8. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

CSR committee is constituted in accordance with the provisions of Section 135 of the Companies Act, 2013.

Our CSR committee comprises of four Directors as members out of which 2 directors are Independent Directors.

S. No.	Name of the Member	Category
1.	Mr. Sharat Reddy Sabbella	Chairman, Executive- Whole Time Director
2.	Mr. Prasad Reddy Sabbella	Member, Managing Director
3.	Mr. Harihar Venkata Muthyam	Member, Non-Executive Independent Director
4.	Mr. Swayze Mani	Member, Non-Executive Independent Director

The Company Secretary of the Company will be the secretary to the Corporate Social Responsibility Committee.

During the financial year ended the committee met twice i.e on 12th November 2024 & 29th January 2025 and all the members of the committee were present at the meeting.

The CSR committee was set up to formulate and monitor the CSR policy of the Company. The CSR committee adopted a policy that outlines the Company's objective of catalyzing economic development that positively improves the quality of life for the society, and aims to be a responsible corporate citizen and create positive impact through its activities on the environment, communities and stakeholders.

The CSR policy of the Company is available on our website at https://sharatindustries.com/wp-content/uploads/2025/05/csr_policy_sil.pdf

9. RIGHTS ISSUE COMMITTEE

Our Rights issue committee consist of three directors as members,

S. No.	Name of the Member	Category
1.	Mr. Sharat Reddy Sabbella	Whole Time Director, Chairman,
2.	Mr. Prasad Reddy Sabbella	Managing Director, Member
3.	Mr. Harihar Venkata Muthyam	Non-Executive Independent Director, Member

The Company Secretary of the Company will be secretary of the rights issue committee. During the financial year under review the committee met Twice on 04th July 2024 & 12th August 2024. All the committee members were present at the meeting.

A. the Regulations governing the Committee are:

- i. The Committee should have a minimum of three directors.
- ii. The Members of the committee shall elect a chairman from among themselves to chair all the meetings of the Committee
- iii. The quorum of the meeting of the committee shall be two members
- iv. The minutes of the committee meetings shall be placed before the board and shall be noted by the directors.

10. INDEPENDENT DIRECTOR'S MEETING:

During the Financial Year under review the Independent Directors meeting was held on 29th January 2025 and was attended by Mrs. Geetha Adhyam Bindu, Mr. Harihar Venkata Muthyam and Mr. Swayze Mani.

11. (i) GENERAL BODY MEETING

Details of location and time of the last three Annual General Meeting held are as follows:

Year	Location	Date	Time	Details of Special Resolutions passed
2024-2025	Through Video Conferencing (VC) / other Audio Visuals Means (OAVM)	30 th September 2024	11:00 AM	-
2023-2024	Through Video Conferencing (VC) / other Audio Visuals Means (OAVM)	28 th September 2023	11:00 AM	1. To approve the increase in the Borrowings limits of the Company under section 180 (1) (c) of the Companies Act 2013. 2. To make investment, give loans, guarantees and provide securities under section 186 of the Companies Act 2013.
2022-2023	Through Video Conferencing (VC) / other Audio Visuals Means (OAVM)	29 th September 2022	10:00 AM	Approving the appointment of Mr. Swayze Mani (DIN:09604569) as an Independent Director of the Company

ii. Extra-Ordinary General Meeting:

During the year one Extra-Ordinary General Meeting (EGM) of the Company was held on 24th December 2024. The details of Special/Ordinary resolution set out in the notice of the EGM as passed by the members are as follows:

No. of EGM During the Year	Day, Date & Time	Special/Ordinary Resolution Passed
EGM (01/2024-2025)	Tuesday, 24 th December 2024 at 11:00 AM through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")	<ol style="list-style-type: none"> 1. To approve the amendment in the Articles of Association of the Company (Special Resolution) 2. Approval of Material Related Party Transaction ("RPT") with Katyayini Aquatech Private Limited (Ordinary Resolution) 3. Approval of Material Related Party Transaction ("RPT") with M/s. S P Enterprises (Partnership Firm) (Ordinary Resolution)

iii. Postal Ballot Resolutions:

No Postal Ballot resolutions was passed during the FY 2024-2025

12. MEANS OF COMMUNICATION

S. No	Description	Remarks
1.	Quarterly Results	The quarterly results are submitted to the stock exchange in accordance with the requirement of Listing Regulation.
2.	Newspaper wherein results are published	Quarterly/Half yearly/Annual Audited Results are generally published in widely circulated newspaper viz. Financial Express (English) All India edition and Visalandhra (Telugu) Nellore Edition.
3.	Website where results are published	http://www.sharatindustries.com/financial-performance.html
4.	Presentation made to institutional investors	The Company makes use of this website viz., http://www.sharatindustries.com/shareholder-information.html for publishing presentations if any, made to institutional investors / analysts. No unpublished price sensitive information is discussed in the meeting with institutional investors and financial analysts.

13. GENERAL SHAREHOLDER'S INFORMATION

Annual General Meeting	35 th Annual General Meeting
Date & Time	Saturday, 27 th September 2025 at 11:00 AM
Venue	Video Conferencing (VC) / Other Audio-Visual Means (OAVM)
Registered Office	Venkannapalem Village, TP Gudur Mandal, Nellore, Andhra Pradesh - 524002
Name and address of Stock Exchange(s) at which company's shares are listed	The equity securities of the Company are listed in Bombay Stock exchange (BSE Limited) and the annual listing fees for the financial year 2024-2025 has been paid within the stipulated time.

Book Closure Date	20 th September 2025 to 27 th September 2025
CIN:	LO5005AP1990PLC011276
Financial Year 2025-2026 (tentative)	First Quarter Results - By 14 th August 2025 Second Quarter Results/ Half yearly - By 14 th November 2025 Third Quarter - By 14 th February 2026 Year end results - By 30 th May 2026
Registrar and share transfer Agent.	M/s. Cameo Corporate Services Limited, Subramanian Building, No.1, Club House Road, Chennai – 600002. Email address:cameo@cameoindia.com Website: www.cameoindia.com
Whether the securities were suspended from trading during the Year 2024-2025	The equity shares of the Company were not suspended at any point of time during the year 2024-2025 and also till the date of the Report.
Dividend Payment Date	on or before 26 th October 2025

14. SHAREHOLDING PATTERN AS ON MARCH 31, 2025 (PAN CONSOLIDATED):

Category	No. of Shareholders	No. of Fully Paid-Up Equity Shares Held	No. of Partly Paid-Up Equity Shares Held	Total Number of Shares	Percentage
(A) Promoter and Promoter Group:	4	1,71,94,441	-	1,71,94,441	43.58
(B) Public	38,560	2,03,83,947	18,77,237	2,22,61,184	54.24
Grand Total	38,564	3,75,78,388	18,77,237	3,94,55,625	100.00

15. DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2025

Slab of Share Holding	Shareholders	%	Shares Amount	%
10-5,000	35506	91.05	4,80,30,730	12.17
5,001-10,000	1816	4.65	1,47,68,960	3.74
10,001-20,000	826	2.11	1,22,86,580	3.11
20,001-30,000	339	0.86	85,63,820	2.17
30,001-40,000	135	0.34	48,51,210	1.22
40,001-50,000	92	0.23	43,60,580	1.10
50,001-1,00,000	133	0.34	97,17,370	2.46
1,00,001- Above	146	0.37	29,19,77,000	74.00
Total	38,993	100.00	39,45,56,250	100.00

*Includes 18,77,237 Partly Paid Up Equity shares.

16. DEMATERIALIZATION OF SHARES AND LIQUIDITY:

The company has established connectivity with both the depositories NSDL (National Securities Depository Services Limited) and CDSL (Central Depository Services (India) Limited). Therefore, the Company's Equity Shares can be dematerialized.

The Details of Dematerialization of Shares as on 31st March, 2025 as under

S. No.	Mode of Holding	No. of Holders	Percentage of No. of Holders	No. of Shares	Percentage of No. of Shares
1.	Physical	33,884	86.89	87,46,100	22.16
2.	NSDL	1875	4.80	64,35,124	16.30
3.	CDSL	3234	8.29	2,42,74,401	61.52
	Total	38,993	100.00	3,94,55,625*	100.00

*Includes 18,77,237 Partly Paid Up Equity shares.

17. OUTSTANDING GDRs OR ADRs OR WARRANTS OR CONVERTIBLE INSTRUMENTS

There is no outstanding Global Depository Receipt or American Depository Receipt or Warrants or any convertible instruments during the year 2024-2025.

18. ADDRESSES FOR CORRESPONDENCE:

Shareholders correspondence should be addressed to the Company Secretary of the Company at the registered office of the company Mob:8897628787 email id: cs@sharatindustries.com.

Its Registrar and Share transfer Agent, M/s Cameo Corporate Services Limited, Subramanian Building, No.1 Club House Road, Chennai - 600 002, Tamil Nadu, Ph: 91-44-28460390 / 91-44-40020700 email id: investor@cameoindia.com by quoting the Folio number or the Client ID number with DP ID number.

19. PLANT LOCATION:

Plant	Location
Farm	Venkannapalem Village, TP Gudur Mandal, Nellore, Andhra Pradesh-524002
Hatchery	Venkannapalem Village, TP Gudur Mandal, Nellore, Andhra Pradesh-524002
Feed Mills	Venkannapalem Village, TP Gudur Mandal, Nellore, Andhra Pradesh-524002
Processing Plant	Mahalakshmpuram Village, TP Gudur Mandal, Nellore District-524002

20. REGISTRAR AND SHARE TRANSFER AGENTS

The address of Cameo Corporate Services, Registrar and Share transfer Agents of the company is as under.

Cameo Corporate Services Limited
Subramanian Building,
No.1, Club House Road, Chennai - 600002
Email Id: cameo@cameoindia.com
Website: <https://www.cameoindia.com/>
Phone Number: 044-28460390

21. Credit Rating

During the year under review, Credit rating remained unchanged.

Credit Rating Information Service of India Limited (CRISL), affirmed the credit rating as BBB-/ Stable.

22. RECONCILIATION OF SHARE CAPITAL AND DEMATERIALIZATION OF SHARES

The shares of the company are in compulsory dematerialization segment and are available for trading in the depository system of both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Quarterly audit was conducted by M/s BP & Associates, Practicing Company Secretaries, Chennai by reconciling the issued and listed capital of the company with the aggregate number of shares held by the shareholders in the physical and demat form.

The Company shares are liquid and actively traded in BSE limited. The status of the shares held in dematerialized and physical forms as on 31st March 2025.

Particulars	No. of Shares	Percentage
Shares held in Demat form	3,07,09,525	77.82
Shares held in Physical form	87,46,100	22.16
Total	3,94,55,625*	100%

*Includes 18,77,237 Partly Paid Up Equity shares.

23. OTHER DISCLOSURES

23.01 Disclosure of Materially significant related party transaction that may have a potential conflict with the Interest of the entity at large & weblink for policy on dealing with Related Party Transaction.

During the year under review, no material related party transactions which had any potential conflict with the interest of entity at large were entered.

The Board of Directors of the Company, as per the provisions of Regulation 23 of Listing Regulation has formulated a Policy on Material Related party transactions. The said policy is available on the website of the company https://sharatindustries.com/wp-content/uploads/2025/05/materiality_policy_sil.pdf

23.02 Details of Non-Compliance by the Company, Penalties, strictures imposed on the Company by Stock Exchange or the Board or any statutory authority, on any matter related to capital markets during last three years

a. Non-Compliance for the Provisions of SEBI (ICDR) Regulations, 2018 Schedule XIX- para (2) (FY 2021-2022)

An amount of Rs. 10,00,000/- was paid by the Company as fine in the FY 2022-23 for delay in making an application for listing for the allotment of 19,00,000/- Equity shares on 31st January 2022 pursuant to conversion of warrants issued on preferential basis. As per SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/94 dated 19th August 2019, the listing application should be filed with the stock exchange(s) within 20 days from the date of allotment of shares. The due date of filing listing application for the above allotment of 19,00,000 Equity Shares as per the SEBI circular was 20th February 2022. However, the Company had filed the listing application with BSE Limited on 11th March 2022 resulting in a delay of 50 days and hence paid a fine of Rs. 10,00,000/-

b. Non-Compliance with the Provisions of Regulation 28 SEBI (LODR) Regulations, 2015 (FY 2021-2022)

An amount of Rs. 50,000/- was paid by the Company as fine in the FY 2022-23 for the purpose of not obtaining In-principal approval of stock exchange inadvertently before the issuance of 19,00,000 share warrants in the FY 2021-22.

c. Settlement Order

The Company vide its order number SO/AS/EFD2/2022-2023/7020 has received a settlement order from SEBI on 27th December 2023 to pay a settlement amount of ₹ 36,25,000 (Rupees Thirty Six Lakhs Twenty Five Thousand) for violations of following regulation

- Regulation 170 (1) of the SEBI (ICDR) Regulations, 2018.
- Regulation 163 (1) of the SEBI (ICDR) Regulations, 2018.
- Regulation 167 (6) of SEBI (ICDR) Regulations, 2018.
- Regulation 31 (1) of SEBI (LODR) Regulations, 2015.
- Regulation 6 of the SEBI (LODR) Regulations, 2015.

The Company has paid the amount on 03rd January 2024.

23.03 Details of Establishment of Vigil mechanism/ Whistle blower policy

In pursuant to the provisions of Section 177 (9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at https://sharatindustries.com/wp-content/uploads/2025/05/sharat_industries_vigil_mechanism_and_whistle-blower_policy.pdf It provides for direct access to the Chairman of the audit committee. No personnel have approached the Audit Committee till date.

23.04 Web-Link where the Policy for determining Material Subsidiary is available

The Company does not have any material subsidiary. Hence the necessity for complying with respect to framing a policy for determining the material subsidiary does not arise.

23.05 Details of Funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A).

During the Year, the company has not made any Preferential Allotment or Qualified Institutions placements as specified under Regulation 32 (7A). Hence, reporting is not applicable to the Company.

23.06 Where the Board has not accepted any recommendations of any committee of the Board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons.

During the year under review, the Board has accepted all the recommendation of the all the committees of the Board.

23.07 Total fees paid to Statutory Auditors

During the year company has paid Rs. 4,00,000/- to statutory auditors for the services rendered.

23.08 Redressal of Grievance under Sexual Harassment Policy:

Pursuant to Rule 8(5) (x) of Companies (Accounts) Rules, 2014, the Company has complied with the provisions relating to the constitution of Internal Complaints Committee under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

a.	Number of complaints filed during the financial year	Nil
b.	Number of complaints disposed of during the financial year	Nil
c.	Number of complaints pending as on end of the financial year	Nil

23.09 Disclosure in respect of equity shares transferred in the Company's unclaimed suspense account pursuant to the requirement of Regulation 34(3) and Schedule V Part F of the Listing Regulations

The following table provides details in respect of the equity shares lying in the suspense account

Details	Number of Members	Number of Equity Shares
Aggregate number of the Members and the outstanding shares in the suspense account lying as on 1 st April, 2024	0	0
Number of Members and aggregate number of shares transferred to the unclaimed suspense account during the year	0	0
Total	0	0
Number of Members who approached the company for transfer of shares and shares transferred from suspense account during the year	0	0
Unclaimed Shares Transfer to IEPF Authority during the year	0	0
Total	0	0
Aggregate number of the Members and the outstanding shares in the suspense account lying as on 31 st March 2025	0	0

23.10 Compliance of SEBI (LODR) Regulations, 2015.

It is confirmed that the company has complied with the requirement under regulation 17 to 27 and Reg 46(2) (b) to (i) of SEBI (LODR) Regulations, 2015.

Non-Mandatory Requirements:

The Company has fulfilled the following non-mandatory requirements as prescribed in Part E of Schedule II as mentioned under Regulation 27 (1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

1. Modified opinion(s) in audit report

There was no qualification by the statutory auditors on the financial statements of the Company.

2. Reporting of Internal Auditor

As per the requirements, the internal auditor may report directly to the Audit committee. The same is reported by briefing the Audit Committee through discussion and presentation of the observations every quarter by the Internal Auditors.

3. Shareholder rights:

The Company regularly does statutory filings as required under SEBI (LODR) Regulations, 2015 as amended and also updates the website of the Company on a regular basis. The financial results as and when approved by the Board are hosted on the investor column of the Company's website from which any shareholder can easily access and obtain the requisite information about the Company.

23.11 Disclosure of Commodity price risk and commodity hedging activities

Company does not have exposure to commodity price risk and hedging activities

23.12 Loans and advances in the nature of loans to firms / Companies in which directors are interested:

During the year, the Company did not extend any loans or advance to any firms/companies in which directors are interested in terms of Section 185 of the Act.

24. Particulars of senior management including the changes therein since the close of the previous financial year

During the Year under review, following changes occurred in the position of senior management in the Company.

S. No	Name	Designation	Appointment date	Cessation Date
1	Mr. N. Thyagarajan	Chief Financial officer	21 st February 2023	23 rd August 2024
2	Mr. Balasubramanian R	Chief Financial officer	13 th September 2024	-
3	Mr. M Balamurugan	Company Secretary Secretary & Compliance officer	22 nd April 2023	30 th November 2024
4	N. Ganesan	Company Secretary Secretary & Compliance officer	29 th January 2025	-

25. CERTIFICATION FROM COMPANY SECRETARY IN PRACTICE

The Company has obtained certificate from M/s. BP & Associates, Practicing Company Secretaries in compliance with provisions of Regulation 34(3) of the of the Listing Regulation read with schedule V, confirming that none of Directors of the Company have been disqualified from being appointed or continuing as a Director of the Company by SEBI, Reserve Bank of India or Ministry of Corporate affairs as on 31st March 2025. The said certificate is enclosed with this report as Annexure.

26. DISCLOSURE ON COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS

The Company has complied with all the requirements of the Corporate Governance mentioned in the Regulation 17 to 27 and clause (b) to (i) of Sub -Regulation (2) of the regulation 46 of the Listing Regulations as applicable. The Company has submitted the quarterly compliance reports on corporate governance to the stock exchanges within the timelines prescribed by the SEBI for all the quarters during the financial year 2024-2025.

27. DECLARATION ON CODE OF CONDUCT

All Board members and senior management personnel have, for the financial year ended on 31st March 2025, have affirmed compliance with the code of conduct laid down by the Board of Directors and senior management, in terms of Schedule V-D of SEBI (LODR) Regulations, 2015.

28. DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES: Nil

By Order of the Board of Directors
For **SHARAT INDUSTRIES LIMITED**

Place: Nellore
Date: 02nd September 2025

S. Prasad Reddy
Managing Director
DIN: 00069094

S. Sharat Reddy
Whole-time Director
DIN: 02929724

MANAGING DIRECTOR/CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

To
The Board of Directors'
Sharat Industries Limited.

Dear Sirs,

Sub: Managing Director/Chief Financial Officer (CFO) Certification
Pursuant to the 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

- (a)** We have reviewed the financial statements and the cash flow statement of Sharat Industries Limited for the year ended March 31, 2025 and that to the best of our knowledge and belief, we state that:
- (i)** These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
 - (ii)** These statements together present a true and fair view of the company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
- (b)** There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the company's code of conduct.
- (c)** We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the electiveness of internal control systems of the company and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, and the steps they have taken or proposed to be taken to rectify these deficiencies.
- (d)** We have indicated to the auditors and the Audit committee:
- (i)** Significant changes, if any, internal control over financial reporting during the year;
 - (ii)** Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii)** That there were no instances of significant fraud of which we have become aware.

FOR AND ON BEHALF OF THE BOARD

PLACE: Nellore
DATE: 02nd September 2025

S. PRASAD REDDY
MANAGING DIRECTOR
DIN: 00069094

Balasubramanian R
CHIEF FINANCIAL OFFICER

**DECLARATION BY THE MANAGING DIRECTOR OF THE COMPANY
ON CODE OF CONDUCT**

I hereby declare that:

1. The Code of Conduct for the Board Members and Senior Management of the company was approved by the Board of Directors in the Board Meeting and the same was adopted by the Company.
2. The Code of Conduct adopted by the Company was circulated to the members of the Board and Senior Management of the Company and is also posted on the website of the Company.
3. All the members of the Board and Senior Management of the Company have complied with all the provisions of the Code of Conduct.

FOR AND ON BEHALF OF THE BOARD

PLACE: NELLORE

DATE: 02nd September 2025

PRASAD REDDY SABELLA

MANAGING DIRECTOR

DIN: 00069094

ANNEXURE -VIII**CERTIFICATE ON COMPLIANCE UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To
The Members,
SHARAT INDUSTRIES LIMITED,
Venkannapalem Village, T P Gudur Mandal,
Nellore 524002 Andhra Pradesh

We have examined the compliance of conditions of Corporate Governance by Sharat Industries Limited ("the Company") for the year ended 31st March, 2025, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").

We state that the compliance of conditions of Corporate Governance is the responsibility of the management, and our examination was limited to a review of the procedures adopted and implementation thereof, by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the aforesaid provisions of the Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For BP & Associates
Company Secretaries
Peer Review No: 7014/2025**

Date: 02nd September 2025

Place: Chennai

**Prabhakar Chandrasekaran
Partner
M No: F11722
CP No: 11033
UDIN:F011722G001144238**

ANNEXURE -VII

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
SHARAT INDUSTRIES LIMITED
Venkannapalem Village, TP Gadur Mandal,
Nellore Andhra Pradesh 524002

We have examined the relevant Registers, Records, Forms, Returns and Disclosures received from the Directors of Sharat Industries Limited having CIN L05005AP1990PLC011276 and having registered office at Venkannapalem Village, TP Gadur Mandal Nellore Andhra Pradesh 524002 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers.

We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company*
1	Mr. Prasad Reddy Sabbella	00069094	07/05/1990
2	Mr. Sharat Reddy Sabbella	02929724	31/01/2013
3	Mrs. Geetha Adhyam Bindu	07017187	10/02/2023
4	Mr. Harihar Venkata Muthyam	08160011	28/09/2020
5	Mr. Shanmugam	08877587	12/11/2020
6	Mr. Swayze Mani	09604569	16/05/2022

*The date of appointment is as per the MCA Portal.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For BP & Associates
Company Secretaries
Peer Review No: 7014/2025

Date: 02nd September 2025
Place: Chennai

Prabhakar Chandrasekaran
Partner
M No: F11722
CP No: 11033
UDIN:F011722G001144029



Financial Statements

FY 2024–25 results show resilience in a volatile market.

INDEPENDENT AUDITORS' REPORT

**To The Members of
SHARAT INDUSTRIES LIMITED
Report on the Standalone Ind AS Financial
Statements**

Opinion

We have audited the accompanying standalone Ind AS financial statements of Sharat Industries Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2025, the Statement of Profit and Loss (including other comprehensive income) for the year then ended, the Cash Flows and the Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2025, the profit for the year ended on that date total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis of Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements 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 together with the Ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules there under, 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 opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon and we have determined that there are no key audit matters to communicate in our report.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent

with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibilities for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act 2013, with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position and financial performance, of the Company in accordance with the Accounting Principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the standalone financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements 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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, 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 controls 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 system 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 management.

- Conclude on the appropriateness of management's 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 standalone financial statements or, if such disclosure 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We also communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Independent Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of subsection (11) of Section 143 of the Act, we give in the "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143 (3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

- e) On the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect of the adequacy of the Internal Financial Controls over Financial Reporting of the company and its operating effectiveness of such controls, refer to our separate report in “**Annexure B**”.
- g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position in its standalone Ind AS financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person or entity, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
 - v. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
- i) Based on our examination carried out in accordance with the Implementation Guidance on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (Revised 2024 Edition) issued by the Institute of Chartered Accountants of

India, which included test checks, we report that the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Our examination of the audit trail was in the context of an audit of financial statements carried out in accordance with the Standard of Auditing and only to the extent required by Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014. We have not carried out any audit or examination of the audit trail beyond the matters required by the aforesaid Rule 11(g) nor have we carried out any standalone audit or examination of the audit trail.”

- j) With respect to the matter to be included in the Auditors’ Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the remuneration paid to the directors during the year is in accordance with the section 197 of the Act. The remuneration paid to any director is not in excess of the limit.

For A.R. KRISHNAN & ASSOCIATES

Chartered Accountants

FRN : 009805S

B. Anandaramakrishnan

Partner

Membership No.: 209122

UDIN : 25209122BMKVLN1720

Place: Chennai

Date: 29/05/2025

“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT OF SHARAT INDUSTRIES LIMITED

In terms of the information and explanations sought by us and given by the Company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that: -

i) In respect of its fixed assets:

- a) A)** The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- B)** The company has maintained proper records showing full particulars of intangible assets;
- b)** All the Property, Plant and Equipment have been physically verified during the year by the Management in accordance with a regular program of verification which, in our opinion, provides for physical verification of all the Property, Plant and Equipment at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c)** According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. Immovable properties of land and buildings whose title deeds have been pledged as security for loans are held in the name of the Company.
- d)** The company is following cost model, hence revaluation of property, plant and equipment (including right of use assets) or intangible assets or both for the year is not applicable.
- e)** No proceedings have been initiated or are pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, if so, whether the company has appropriately disclosed the details in its financial statements.

ii) In respect of inventories:

- a)** The Inventory has been physically verified at reasonable intervals during the year by the management. In our opinion, the frequency of verification is reasonable and the procedures followed were appropriate. No Discrepancies were noticed on verification between the physical stocks and book records that were 10% or more in the aggregate for each class of inventory.
- a)** The company has been sanctioned working capital of Rs. 113.05 Crores, in aggregate, from banks or financial institutions on the basis of security of current assets; and the statements filed by the company with banks or financial institutions are in agreement with the books of account of the Company.

ii) In respect of loans, secured or unsecured, granted to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013:

The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3 (iii) of the Order are not applicable to the Company and hence not commented upon.

ii) According to the information and explanations given to us and on the basis of examination of the records, the company has not provided any loans or any guarantee or security or made any investment as specified under section 185 and section 186 of the Companies Act, 2013. Hence, the clause 3(iv) of the order is not applicable.

ii) In respect of public deposits:

The Company has not accepted any deposits from the public. Therefore, the provisions of section 73 and 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) with regard to the deposits accepted from the public and from the members are not applicable to the Company. . Hence, the clause 3(v) of the order is not applicable.

ii) In respect of cost records:

The Central Government of India has not prescribed the maintenance of cost records under section 148 (1) of the Companies Act, 2013 for any of the services rendered by the Company. Hence, the clause 3(vi) of the order is not applicable.

ii) In respect of statutory dues:

a) The Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with appropriate authorities during the year. There were no undisputed amounts payable in respect of the aforesaid statutory dues outstanding as at March 31, 2025 for a period of more than six months from the date they became payable.

b) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax which have not been deposited as on March 31, 2025 on account of disputes are given below

Name of the Statute	Nature of dues	Forum where the Dispute is pending	Period to which the amount relates	Amount (Rs. in Lakhs)
Customs Act, 1962 [#]	Customs Duty	In the High Court of Judicature of Andhra Pradesh at Hyderabad.	2004-2005	76.31
Finance Act, 1994 (Chapter IV)	Service Tax	In the High Court of Judicature of Andhra Pradesh at Hyderabad.	2015-2016	31.50

[#]We have received a favourable order on 22nd April 2025 with respect to customs duty.

viii) In respect of surrendered or disclosed an unrecorded income:

The company has not surrendered or disclosed any unrecorded income during the year in the tax assessments under Income Tax Act, 1961 (43 of 1963).

ix) a) According to the information and explanations given to us and as per the records produced to us, the company does not make any default in repayment of loan or other borrowings or in the payment of interest thereon to any lender.

- b)** b) As per the information obtained, the company has not been declared as wilful defaulter by any bank or financial institutions or other lender.
 - c)** In respect of term loan, the company were applied for the purpose of which the loans were obtained.
 - d)** In respect of short-term loan, the fund raised on short term basis have not been utilized for long term purpose.
 - e)** According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its associate as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.
 - f)** According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its associate as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- x)** In respect of fund raised.
 - a)** The company has not raised money by way of initial public offer or further public offer (including debt instrument) during the year.
 - b)** The company has not made private placement of shares during the year,
- xi)** In respect of fraud
 - a)** No material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of audit
 - b)** No report was filed under sub-section (12) of section 143 of the companies with the central government.
 - c)** During the year no whistle-blower complaints were received by the company.
- xii)** In respect of Nidhi Company:

The Company is not a Nidhi Company. Hence, paragraph 3(xii) of the Order is not applicable.
- xiii)** In respect of transactions with related parties:

All transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the Financial Statements etc., as required by the applicable Indian Accounting Standards.
- xiv)** In respect of internal audit system.
 - a)** The Company has internal audit system as appropriate with size and nature of its business.
 - b)** In respect of Internal audit report, internal audit report for the period were considered during the audit.
- xv)** In respect of non-cash transactions with directors:

The Company has not entered into any non-cash transactions with directors or persons connected with him hence this clause is not applicable.

xvi) In respect of non-banking financial activities.

- a)** The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- b)** The Company does not conduct any non-banking financial or Housing Finance activities.
- c)** The company is not a core investment company (CIC) as defined in regulation made by the Reserve Bank of India, Hence the clause 3(xvi)(c) of the order is not applicable.

xvii) As per the information and explanation furnished to us, the company did not make any cash loss during the year.

xviii) Based on the information and explanation given to us, no such resignation of the statutory auditor was occurred during the year.

xix) On the basis of the financial ratios, ageing and expected date of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statement, based on our knowledge of the director and management plans, in our opinion there is no material uncertainty exist as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from balance sheet date. We, however state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date the audit report and we neither give any of the audit report and and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx) According to the information and explanation given to us, the company Liability towards CSR activities are spent and no unspent amount of CSR liability is with Company, hence clause 3(xx) of the order is not applicable.

For A.R. KRISHNAN & ASSOCIATES

Chartered Accountants

FRN : 009805S

B. Anandaramakrishnan

Partner

Membership No.: 209122

UDIN : 25209122BMKVLN1720

Place: Chennai

Date: 29/05/2025

“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT OF SHARAT INDUSTRIES LIMITED

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

We have audited the internal financial controls over financial reporting of SHARAT INDUSTRIES LIMITED (“the Company”) as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For A.R. KRISHNAN & ASSOCIATES
Chartered Accountants
FRN : 009805S

B. Anandaramakrishnan
Partner

Place: Chennai
Date: 29/05/2025

Membership No.: 209122
UDIN : 25209122BMKVLN1720

SHARAT INDUSTRIES LIMITED
BALANCE SHEET AS AT MARCH 31, 2025

(Rs. in Lakhs)

	Particulars	Note No.	As At Mar 31, 2025	As At Mar 31, 2024
I	ASSETS			
	(1) Non-Current Assets			
	(a) Property, Plant & Equipment	3	4,348.30	4,623.29
	(b) Capital Work in Progress	3	188.14	157.73
	(c) Intangible Assets	3	-	-
	(d) Intangible Assets under Development		-	-
	(e) Financial Assets	4	4.90	4.90
	(f) Deferred Tax Asset		-	-
	(g) Other Non-Current Assets	4.1	262.88	262.92
	(h) Trade Receivables	4.2	430.41	430.40
	Total Non-Current Assets		5,234.63	5,479.25
	(2) Current Assets			
	(a) Inventories	5	7,521.73	6,667.72
	(b) Financial Assets		-	-
	(i) Investments		-	-
	(ii) Trade Receivables	6	9,708.90	5,651.76
	(iii) Cash and Cash Equivalents	7	2,126.60	129.29
	(iv) Bank Balances Other than (iii) above	8	464.70	375.50
	(v) Others	8.1	144.24	235.82
	(c) Other Current Assets	9	2,746.57	1,850.69
	Total Current Assetsets		22,712.73	14,910.77
	TOTAL ASSETS		27,947.36	20,390.02
II	EQUITY & LIABILITIES			
	(1) Equity			
	(a) Equity Share Capital	10	3,804.77	2,391.25
	(b) Other Equity	11	9,876.47	6,006.26
	Total Equity		13,681.24	8,397.51
	(2) Non-Current Liabilities			
	(a) Financial Liabilities		-	-
	(i) Borrowings	12	579.00	676.32
	(ii) Other Financial liabilities[other than those specified in (b) below]	12.1	395.49	501.97

(Rs. in Lakhs)

	Particulars	Note No.	As At Mar 31, 2025	As At Mar 31, 2024
	(iii) Trade Payables	12.2	-	-
	(b) Provisions	13	45.48	36.39
	(c) Deferred Tax Liabilities (Net)	14	305.42	289.42
	Total Non-Current Liabilities		1325.39	1,504.09
	(3) Current Liabilities			
	(a) Financial Liabilities		-	-
	(i) Borrowings	15	10,713.98	8,874.18
	(ii) Trade Payables	16	1,649.92	1,218.93
	(iii) Other Financial liabilities[Other than those specified in (c) below]	17	8.64	7.13
	(b) Other Current Liabilities	18	14.67	22.05
	(c) Provisions	19	553.53	366.12
	Total Current Liabilities		12,940.73	10,488.41
	TOTAL EQUITY & LIABILITIES		27,947.36	20,390.02
Significant Accounting Policies & Notes forming part of the financial statements		1 & 2		

The accompanying notes are integral part of the financial statements.

As per our report of even date

For and on behalf of the Board of Directors

For A.R. Krishnan & Associates
Chartered Accountants
F.R. No. 009805S

S.Prasad Reddy
Managing Director
DIN: 00069094

S. Sharat Reddy
Executive Director
DIN: 02929724

B. Anandaramakrishnan
Partner
M.No. 209122
UDIN: 25209122BMKVLN1720

Balasubramanian R
Chief Financial Officer

Ganesan N
Company Secretary

Place: Nellore
Date: 29-05-2025

SHARAT INDUSTRIES LIMITED
Statement of Profit and Loss for the Year Ended March 31, 2025

(Rs. in Lakhs)

	Particulars	Note No.	For the Year ended Mar 31, 2025	For the Year ended Mar 31, 2024
I	Revenue from Operations	20	38,053.48	30,215.92
II	Other Income	21	175.95	58.77
III	Total Income (I+II)		38,229.43	30,274.69
IV	Expenses			
	(a) Cost of Materials Consumed	22	29,518.88	24,370.26
	(b) Purchase of Stock in trade		-	-
	(c) Changes in Inventory	23	(880.66)	(1,418.75)
	(d) Employee Benefits Expense	24	831.93	720.69
	(e) Finance Costs	25	1,147.41	938.78
	(f) Depreciation and Amortisation Expense	3	481.81	469.50
	(g) Other Expenses	26	5,727.25	4,428.29
	Total Expenses (IV)		36,826.62	29,508.77
V	Profit Before Exceptional items and Tax (III-IV)		1,402.81	765.92
VI	Exceptional Items		-	-
VII	Profit Before Tax (V-VI)		1,402.81	765.92
VIII	Tax Expense			
	(a) Current Tax		390.26	125.28
	(b) Mat Credit Entitlement		-	82.63
	(c) Deferred Tax		16.63	(29.29)

	Particulars	Note No.	For the Year ended Mar 31, 2025	For the Year ended Mar 31, 2024
IX	Profit /(Loss) for the year (VII-VIII)		995.92	587.30
X	Other Comprehensive Income Items that will not be reclassified to profit/ (loss)		(1.64)	0.69
XI	Total Comprehensive Income for the year (comprising of profit for the year and other comprehensive income [IX+X])			
XII	Earnings per Equity Share [Nominal Value of Rs.10/- per share]	27	994.28	587.99
	(1) Basic		3.04	1.90
	(2) Diluted		3.04	1.90
	Face Value of the Share		10	10
Significant Accounting Policies & Notes forming part of the financial statements				

The accompanying notes are integral part of the financial statements.
As per our report of even date

For and on behalf of the Board of Directors

For A.R. Krishnan & Associates
Chartered Accountants
F.R. No. 009805S

S. Prasad Reddy
Managing Director
DIN: 00069094

S. Sharat Reddy
Executive Director
DIN: 02929724

B. Anandaramakrishnan
Partner
M.No. 209122
UDIN: 25209122BMKVLN1720

Place : Nellore
Date: 29-05-2025

Balasubramanian R
Chief Financial Officer

Ganesan N
Company Secretary

SHARAT INDUSTRIES LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2025

(Rs.in Lakhs)

S.No	Particulars	For the Year ended Mar 31, 2025	For the Year ended Mar 31, 2024
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit / (Loss) Before Extraordinary Items and Tax	1,402.81	765.92
	Adjustments for:		
	Depreciation and impairment of Property, plant and equipment	481.81	469.50
	Amortisation and impairment of intangible assets	-	-
	Loss on sale of Investments	-	-
	Finance Costs	1,147.41	938.78
	Gratuity	(2.28)	0.96
	Wealth Tax	-	-
	(Profit)/Loss on Sale of Vehicle	-	-
	Interest Income	(28.67)	(20.65)
	Creditors no Longer Payable	-	-
	Capital Subsidy	-	-
	Provision for Bad and Doubtful Debts	-	-
	Operating Profit/(Loss) Before Working Capital Changes	3,001.08	2,154.51
	Changes in Working Capital:	-	-
	Adjustment for (Increase) / Decrease in Operating Assets	-	-
	Inventories	(854.01)	(1,154.15)
	Trade Receivables	(4,057.14)	(44.68)
	Short term Loans and Advances	91.59	229.55
	Bank Balances Other than cash & Cash Equivalents	(89.20)	(28.58)
	Others	(895.89)	(615.82)
	Adjustment for Increase / (Decrease) in Operating Liabilities	-	-
	Trade Payables	430.99	(384.36)
	Other Current Liabilities	(5.87)	(1.42)
	Long Term Provisions	9.10	6.98
	Short Term Provisions	187.41	(203.15)

(Rs.in Lakhs)

S.No	Particulars	For the Year ended Mar 31, 2025	For the Year ended Mar 31, 2024
	Cash generated from operations	(2181.96)	(41.12)
	Cash outflow due to Exceptional Items	-	-
B.	Cash generated from operations	(2181.96)	(41.12)
	Net Income Tax (Paid)/Refund	(390.26)	(125.28)
	NET CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES - A	(2572.22)	(166.40)
	CASH FLOW FROM INVESTING ACTIVITIES	-	-
	Capital Expenditure on Fixed Assets	(206.82)	(160.96)
	Decrease / (Increase) in Capital Work in Progress	(30.41)	(17.73)
	Proceeds from Sale of Fixed Assets	-	-
	Long Term Loans and Advances	0.03	(9.57)
	Interest Received	28.67	20.65
	Investment in Joint Venture	-	-
	NET CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES - B	(208.52)	(167.61)
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds / (Repayment) from / of Long Term Borrowings	(97.32)	(373.89)
	Current Maturities of Long term Debt/ Other Financial Liabilities	(106.48)	4.88
	Other Short term Borrowings	1,839.80	997.75
	Trade Payables	-	(20.00)
	Finance Costs	(1,147.41)	(938.78)
	capital subsidy received from government	-	-
	Share Warrants related Premium Money received	4,289.45	
	Interim Dividend Paid	-	(59.78)
	NET CASH FROM / (USED IN) FINANCING ACTIVITIES - C	4778.05	(389.82)
	Net Increase/(Decrease) in Cash and Cash Equivalents (A + B + C)	1,997.31	(723.83)
	Cash and Cash Equivalents at the beginning of the year (i.e. 1 st April)	129.29	853.12

(Rs.in Lakhs)

S.No	Particulars	For the Year ended Mar 31, 2025	For the Year ended Mar 31, 2024
	Cash and Cash Equivalents at the end of the Year (i.e., 31 st March 2025)	2,126.60	129.29
	Reconciliation of Cash and Cash Equivalents with the Balance sheet		
	Cash and Cash Equivalents as per Balance Sheet (Refer Note No. 7)		
	Cash and Cash Equivalents at the end of the year		
	Comprises:		
	Cash on hand	12.00	10.17
	Balance with Banks		
	- in Current Accounts	2114.60	119.12
	- in Deposit Accounts		
		2126.60	129.29

As Per our Report of even date

For and on behalf of the Board of Directors

For A.R. Krishnan & Associates
Chartered Accountants
F.R. No. 009805S

S. Prasad Reddy
 Managing Director
 DIN : 00069094

S. Sharat Reddy
 Executive Director
 DIN: 02929724

B. Anandaramakrishnan
Partner
M.No. 209122
UDIN: 25209122BMKVLN1720

Balasubramanian R
 Chief Financial Officer

Ganesan N
 Company Secretary

Place: Nellore
Date: 29-05-2025

Notes forming part of the Financial Statements

(I) Assets

1) Non Current Assets

(Rs.in Lakhs)

Particulars	Note No.	As At Mar 31, 2025	As At Mar 31, 2024
Non Current Assets			
Financial Assets			
Equity instruments in Joint Venture	4.0	4.90	4.90
		4.90	4.90
Other Non-Current Assets	4.1	-	-
Unsecured, Considered Good (to Parties other than related Party)		-	-
Capital Advances			
Advances Other than Capital Advances			
Balances With Government Authorities		-	-
Security Deposits		262.88	262.92
Other Advances		-	-
Total (a+b+c)		262.88	262.92
(h) Trade Receivables	4.2	430.41	430.40
Less : Allowance for Doubtful debts		-	-
Total		430.41	430.40
2) Current Assets			
(A) Inventories :	5.0	-	-
(As valued and certified by the Management)		-	-
(i) Raw Materials		334.06	292.20
(ii) Finished Goods		7112.64	6,231.98
(iii) Stock of Spares		75.03	143.54
(iv) Biological Asset		-	-
		7521.73	6,667.72

(Rs in Lakhs)

Particulars	Note No.	As At Mar 31, 2025	As At Mar 31, 2024
(B) Financial Assets :			
(i) Trade Receivables :	6.0		-
Trade Receivables		9,768.50	5,673.96
Less : Allowance for Doubtful debts		-	-
		9,768.50	5,673.96
Receivables from Related Parties		-	-
Total		9,768.50	5,673.96
Current		9,768.50	5,673.96
Non-Current		-	-
Breakup of Good and Doubtful Debts			
Unsecured, Considered good		9,768.50	5,673.96
Unsecured, Considered doubtful		-	-
Total		9,768.50	5,673.96
Impairment Allowance (allowance for bad and doubtful debts):			
Unsecured, Considered good		9,768.50	5,673.96
Unsecured, Considered doubtful		(59.61)	(22.21)
Total		9,708.90	5,651.76
(ii) Cash and Cash Equivalents :	7.0		
(a) Cash on hand		12.00	10.17
(b) Balances with Banks:			
i) in Current Accounts		2,114.60	119.12
ii) Deposits with original maturity of less than 3 months		-	-
Current		2,126.60	129.29
Non-Current			
(ii) Bank Balances Other Than Referred Above	8.0	-	-
(a) Earmarked balances :		-	-
i) Unclaimed dividend account		-	-
ii) In deposit accounts		464.70	375.50
(b) Balances with banks :		-	-
Deposits with original maturity of more than 3 months		-	-

(Rs in Lakhs)

Particulars	Note No.	As At Mar 31, 2025	As At Mar 31, 2024
(c)EEFC Balances		-	-
(d) Deposit Accounts		-	-
Total		464.70	375.50
(v) Others	8.1	144.24	235.82
(C) Other Current Assets	9.0	-	-
(a) Loans and Advances to Employees		-	-
Unsecured, considered good		2.00	5.60
Less : Provision for Doubtful Advances		-	-
		2.00	5.60
(b) Loans and Advances to Vendors & Others		84.11	15.04
(c) Prepaid Expenses		69.80	36.00
(d) Balances with Government Authorities		266.00	317.65
(e) Others		2,324.65	1,476.40
		2746.57	1,850.69

(II) EQUITY & LIABILITIES**1) Equity**

(Rs.in Lakhs)

Particulars	Note No.	As At Mar 31, 2025	As At Mar 31, 2024
a) Equity Share Capital	10.0	-	-
Authorised :			
Equity Shares of Rs. 10/- each		5,000.00	5,000.00
No. of shares FY : 5,00,00,000 (PY 5,00,00,000)		5,000.00	5,000.00
Issued, Subscribed and Paid up:			
Fully paid up No. of shares 37578388@10/- = 375783880/-		3757.84	2391.25
Partly paid up No. of shares 1877237@ 2.5/- = 4693093/-		46.93	-
No. of shares FY: 3,94,55,625 (PY: 2,39,12,500)		3,804.77	2,391.25

(a) All the Equity Shares carry equal rights and obligations including for dividend and with respect to voting rights.

(b) Reconciliation of the number of shares outstanding at the beginning and at the end of the year:

(Numbers in Lakhs)

Particulars	Note No.	As At Mar 31, 2025	As At Mar 31, 2024
Equity Shares:			
Number of Shares at the beginning of the year		239.13	239.13
Add: Allotted during the year		155.43	-
Less: Bought back during the year		-	-
Number of Shares at the end of the year		394.56	239.13

(c) Details of Shareholders holding more than 5% shares :

Name of Share holder	Note No.	As At Mar 31, 2025	As At Mar 31, 2024
		No. of Shares - % held	No. of Shares - % held
S. Prasad Reddy		7297641 : 18.5%	7297641 : 33.15%
S. Sharat Reddy		8603300 : 21.8%	1803300 : 8.19%
Kishan Gopal Mohta		2524114-6.40%	-

(Rs in Lakhs)

Name of Share holder	Note No.	As At Mar 31, 2025	As At Mar 31, 2024
		No. of Shares - % held	No. of Shares - % held
b) Other Equity		-	-
Capital Reserve	11.0	-	-
Opening Balance		1,408.32	1,408.32
Add: Additions during the year		-	-
Closing Balance A		1,408.32	1,408.32
Capital Subsidy		-	-
Opening Balance		-	-
Closing Balance B		-	-
Share Premium		950.00	950.00
Opening Balance		3,264.06	-
Add: Additions during the year		3,88.12	-
Less: Utilised during the year		3,825.93	950.00
Closing Balance C			
Surplus/(Deficit) in Statement of Profit and Loss		3,647.94	3,119.73
Opening Balance		994.28	587.99
Add: Profit for the year		-	-
Add/(Less) : Adjustment on Account of Term Loan Ind As Adjustment		-	-
Less: Interim Dividend		-	(59.78)
Closing Balance D		4,642.21	3,647.94
Total (A+B+C+D)		9,876.47	6,006.26

3) Non Current Liabilities

(Rs in Lakhs)

Particulars	Note No.	As At Mar 31, 2025	As At Mar 31, 2024
(a) Financial Liabilities	12.0	-	-
(i) Borrowings		-	-
Term Loan from Bank (Secured)		400.73	615.52
Hire Purchase Loans From Banks		5.98	32.74
From Others		172.29	28.05
		579.00	676.32
(ii) Other Financial Liabilities		-	-
Other Loans	12.1	304.18	420.65
Advances from Customers		35.00	25.00
MPEDA		56.31	56.31
Deferred Advance from Rental Deposits		-	-
		395.49	501.97
(iii) Trade Payables	12.2	-	-
(b) Provisions	13.0	-	-
Provision for employee benefits		-	-
Post Retirement Benefits		45.48	36.39
Compnesated Absences			
		45.48	36.39
(c) Deferred Tax Liability	14.0	-	-
On account of brought forwarded Losses		-	-
Deferred Tax Liability		-	-
On difference between book balance and tax balance of fixed assets		305.42	289.42
Deferred Tax Asset		-	-
On Account of Minimum Alternate Tax		0.00	0.00
Net Deferred Tax Asset		305.42	289.42

A. Nature of Security:

1. Term Loan from Axis Bank is secured by the charge of Fixed Assets to be Procured.
2. Hire Purchase Loans are secured by way of hypothecation / charge of respective vehicles financed.

4. Current Liabilities

(Rs in Lakhs)

Particulars	Note No.	As At Mar 31, 2025	As At Mar 31, 2024
(a) Financial Liabilities			
(i) Borrowings	15.0	-	-
Loans Payable on Demand			
From Banks		10354.76	(8,255.44)
Current Maturities of Long Term Borrowings		359.21	618.74
		10,713.98	8,874.18
(ii) Trade Payables	16.0	-	-
Trade Payables to Micro ,Small and Medium Enterprises		-	-
Trade Payables to Related Parties		-	-
Trade Payables Other than Micro Small and Medium Enterprises		-	-
- For Supplies and Services		1649.53	1,073.35
- For Expenses and Others		0.39	145.59
		1649.92	1,218.93
(iii) Other Financial Liabilities	17.0	-	-
		-	-
Provision for Gratuity		8.64	- 7.13
		8.64	7.13
(b) Other Current Liabilities	18.0	-	-
(i) Statutory Remittances		14.67	- 22.05
(ii) Advances from Customers		-	-
(iii) MPEDA		-	-
		14.67	22.05
(c) Provisions	19.0	-	-
Provision for others		-	-
(a) Provision for Taxes (Net of Advance Tax)		91.51	- 62.47
(b) Provision for Expenses		462.02	303.66
		-	-
		553.53	366.12
TOTAL (a+b+c)		12,940.73	10,488.41

5) Revenues

(Rs in Lakhs)

Particulars	Note No.	As At Mar 31, 2025	As At Mar 31, 2024
Revenue from Operations:	20.0		
(a) Sale of Products		36,469.09	29,048.90
(b) Sale of Services		-	-
(c) Other Operating Revenues		1,584.39	1,167.02
		38,053.48	30,215.92
Sale of Products:			
Sale of Shrimp - Export		27,787.17	21,080.71
Sale of Feed		2,950.17	4,986.63
Sale of Raw Shrimp		5,015.54	3,072.20
Sale of cultured marine worms		779.07	-
Sale of Shrimp - Interstate		-	-
Total		36,531.95	29,139.54
Less:			
Sales Return		-	(5.15)
Turnover Discount		(62.86)	(85.49)
Net Turnover		36,469.09	29,048.90
Sale of Services:			
Job Work Charges		-	-
Other Operating Revenue:			
Export Incentives		1,510.84	1,115.95
Sale of Shrimp shell waste/Scrap		36.71	39.61
Miscellaneous Income		36.84	11.46
		1,584.39	1,167.02
Other Income :	21.0	-	-
(a) Interest Income		-	-
(i) On Bank Deposits		28.67	20.65
(ii) On Others		13.04	8.94
(b) Net gain on Foreign Currency Transactions		111.37	(1.53)
(c) Other Non-Operating Income		22.87	30.71
(d) Profit on sale of vehicle		-	-
		175.95	58.77

(Rs in Lakhs)

Particulars	Note No.	As At Mar 31, 2025	As At Mar 31, 2024
Consumption of Raw Materials and Packing Materials	22.0	-	-
Opening Stock		352.24	616.85
Add: Purchases		29,492.24	24,105.65
		29,844.48	24,722.50
Less: Closing Stock - Raw Material		325.59	352.24
		29,518.88	24,370.26
Changes in Inventory of finished goods:	23.0	-	-
Inventories at the end of the year		-	-
Finished Goods - Feed & Shrimps		7,112.64	6,231.98
		7,112.64	6,231.98
Inventories at the beginning of the year		-	-
Finished Goods - Feed & Shrimps		6,231.98	4,813.23
		6,231.98	4,813.23
Stock Loss		-	-
(a) Finished goods/Stock in trade		-	-
(b) Work-in-progress		-	-
Total Stock loss		-	-
(Increase) / Decrease in stock		(880.66)	(1,418.75)

Particulars	Note No.	As At Mar 31, 2025	As At Mar 31, 2024
Employee Benefits Expense :	24.0	-	-
Salaries, wages and bonus		759.31	692.54
Staff Welfare and contribution to other Funds		72.62	28.14
		831.93	720.69
Finance Costs :	25.0	-	-
Interest Expense on:		1,147.41	938.78
(i) Interest		-	-
(ii) Other Borrowing Costs		-	-
		1,147.41	938.78

(Rs in Lakhs)

Particulars	Note No.	As At Mar 31, 2025	As At Mar 31, 2024
Other Expenses	26.0	-	-
Manufacturing Expenses			
Power & Fuel		736.25	739.86
Repairs & Maintenance		0	-
- Buildings		2.43	4.02
- Plant & Machinery		59.60	65.63
- Electricals		9.93	20.17
Other Manufacturing Expenses		1174.9	1,135.54
(a)		1983.16	1,965.22
Selling Expenses			
Advertisement		5.00	3.91
Ocean freight and export expenses		3014.95	1,620.69
Marketing Expenses		106.74	141.10
Discount Allowed		0.00	4.75
(b)		3126.69	1,770.46
Other expenses			
Audit Fees			
For Statutory Audit		2.50	2.50
For Taxation purpose		1.00	1.00
Return preparation		0.50	0.50
For Other Services			-
Audit Expense			2.64
Bank Charges			32.53
CSR Expenditure	26(a)	14.61	12.10
Bad Debts		37.40	-
Donation		2.16	1.27
Consultancy Fees		122.21	176.01
Communication Expenses		3.64	3.07
General Expenses		142.04	56.28
Fuel Charges		-	-
Insurance		0.00	22.47
Legal, Statutory & Documentation Charges		4.73	4.27
Listing Fee		0.27	3.25
Loss on sale of vehicle		-	-
Inspection Charges		0.00	0.09
Office Maintenance		18.65	15.88

(Rs in Lakhs)

Particulars	Note No.	As At Mar 31, 2025	As At Mar 31, 2024
Printing & Stationery		7.57	8.09
Registration & Renewals		19.73	23.60
Rates & Taxes		102.50	216.11
Security Charges		31.82	30.74
Office Rent		14.76	15.72
Foreign Currency Loss		0	-
Foreign Currency Loss - NL		0.00	5.11
Cold Storage Maintenance		0	-
Revocation Fees to SEBI		0	-
Travelling & Conveyance Expenses		41.48	27.79
Vehicles Maintenance		49.83	31.58
(c)		617.40	692.62
Grand Total (a+b+c)		5727.25	4,428.29

Particulars	Note No.	As At Mar 31, 2025	As At Mar 31, 2024
Earnings per Share	27.0		
Profit / (Loss) After Tax attributable to Equity Shareholders		994.28	587.99
Weighted average number of equity shares		327.55	309.91
Basic & Diluted Earnings per Share		3.04	1.90
Face Value of the Share		10.00	10.00

Corporate Social Responsibility Expenditure

Particulars	Note No.	As At Mar 31, 2025	As At Mar 31, 2024
a. Amount required to be spent by the Company during the Year	26(a)	14.61	12.1
b. Amount of Expenditure Incurred		14.61	12.1
c. Shortfall at the end of the Year		-	-
d. Total of Previous Years Shortfall		-	-
e. Reason for Shortfall:		No Shortfall	No Shortfall
f. Nature of CSR Activities:		Healthcare	Adults with disabilities
g. Details of related Party Transactions		-	-

SHARAT INDUSTRIES LIMITED : NELLORE
Notes forming part of the Standalone Financial Statements

(I) ASSETS

Note - 3: Fixed Assets Detailed Calculation

(Rs. In Lakhs)

	Ref Asset schedule (a)													Ref (b)
Particulars	Freehold Land	Building	Plant and Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Lab Equipments	Computers	Electrical Fixtures	Pond Construction	Jetty	Tools & Equipments	Total PPE	Capital WIP
Cost or Deemed Cost														
At March 31, 2024	567.79	1431.14	3821.69	57.30	606.91	94.52	17.33	31.55	132.20	406.65	53.48	173.71	7394.71	157.73
Additions	0.00	0.90	73.50	5.96	95.81	2.28	0.00	2.47	23.71	0.00	0.00	2.19	206.82	31.35
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	0.94
Exchange Differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2025	567.79	1432.04	3895.18	63.26	702.72	96.79	17.33	34.02	155.91	406.65	53.48	175.90	7601.53	188.14
Depreciation and Impairment														
At March 31, 2024	0.00	502.80	1383.00	38.86	386.94	52.93	10.25	22.84	90.31	172.69	28.69	82.10	2771.41	-
Depreciation charge for the year	0.00	61.46	291.29	6.11	54.45	12.73	1.65	2.80	12.67	21.59	3.59	13.49	481.81	-
Impairment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exchange differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2025	0.00	564.26	1674.28	44.97	441.38	65.66	11.89	25.64	102.98	194.28	32.28	95.59	3253.22	-
Carrying Amount														
As at March 31, 2025	567.79	867.78	2220.90	18.29	261.34	3113	5.44	8.38	52.93	212.37	21.20	80.31	4348.30	188.14
As at March 31, 2024	567.79	928.33	2438.69	18.44	219.98	41.58	7.08	8.71	41.89	233.96	24.79	91.61	4623.29	157.73

Notes to the Financial Statements for the year ended March 31, 2025

Corporate Information

Sharat Industries Limited (“the Company”) is a listed public Company incorporated in the year 1990 in India under the Companies Act, 1956. The Company is in the business of Shrimp Aquaculture and manufacturer and sale of shrimp feeds, Farming, Processing and exporting frozen

1 Basis of Preparation of Financial Statements

Statement of Compliance with 10nd AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the ‘Ind AS’) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (‘Act’) read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

Basis of preparation and measurement

The financial statements have been prepared on the historical cost basis, except for certain financial assets and liabilities which are measured at fair values at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an Orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

A fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2 Significant Accounting Policies

2.1 Property, Plant and Equipment (PPE)

On adoption of Ind AS, the Company retained the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and used that as its deemed cost as permitted by Ind AS 101 'First-time Adoption of Indian Accounting Standards'.

Property, plant and equipment are initially recognized at cost. The initial cost of property, plant and equipment comprises its purchase price, including non-refundable duties and taxes net of any trade discounts and rebates. The cost of property, plant and equipment includes interest on borrowings (borrowing cost) directly attributable to acquisition, construction or production of qualifying assets subsequent to initial recognition. Property, plant and equipment are stated at cost less accumulated depreciation (other than freehold land, which are stated at cost) and Impairment losses, if any.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value Depreciation on tangible assets is calculated on a straight-line basis as per the useful life prescribed and in the manner laid down under Schedule II to the Companies Act, 2013. The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognized in profit or loss. Fully depreciated assets still in use are retained in financial statements.

2.1. Intangible assets

Intangible assets that are acquired are recognized at cost initially and carried at cost less accumulated amortization and accumulated impairment loss, if any. All intangible assets are tested for impairment. Amortization expenses and impairment losses and reversal of impairment losses are taken to the Statement of Profit and Loss.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses on derecognition are determined by comparing proceeds with carrying amount. These are included in profit or loss.

(i) Computer software

Computer software are stated at cost, less accumulated amortization and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

(ii) Amortization methods and periods

Intangible assets with finite useful live are amortized over their respective individual estimated useful lives on a straight-line basis.

2.3 Capital work-in-progress and intangible assets under development

Capital work-in-progress/intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

2.4 Non-derivative Financial Instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs

directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in profit or loss.

Financial liabilities

Financial liabilities are measured at amortized cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments recognized by the Company are measured at the proceeds received net off direct issue cost.

Offsetting of financial instruments

Financial assets and financial liabilities are off set and the net amount is reported in financial statements if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

2.5 Impairment

Financial assets (other than at fair value)

Financial assets (other than at fair value) The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortized cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

PPE and intangible assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e., higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the Statement of Profit and Loss.

2.6 Inventories

Inventories are valued at lower of cost (on weighted average basis) and net realizable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to their present location and condition, including all taxes and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Biological

assets of the Company comprise of live stocks of shrimps' breeders and different phases of shrimp that are classified as current biological assets. The Company recognizes biological assets when, and only when, the Company controls the assets as a result of past events, it is probable that future economic benefits associated with such assets will flow to the Company and the fair value or cost of the assets can be measured reliably. Expenditure incurred on biological assets are measured on initial recognition and at the end of each reporting period at its fair value less costs to sell. The gain or loss arising from a change in fair value less costs to sell of biological assets are included in Statement of Profit and Loss for the period in which it arises.

2.7 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Sale of goods

Revenue from sale of shrimps is recognized when all the significant risks and rewards of ownership have been passed to the buyer- normally when the shipment is loaded which is in accordance with industry practice and entitlement of export subsidies are based on shipment of goods. Shipments that have been dispatched but have not been delivered at the end of the financial reporting period have been recognized as "Revenue on Shipments in Transit".

Export benefits are accounted on recognition of export sales.

Revenue from the sale of Feeds is recognized when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company; and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Income recognition for services takes place as and when the services are performed.

Interest Income

Interest income from financial assets is recognized when it is probable that economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

2.8 Research and Development expenses

Research expenditure is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalized. Tangible assets used in research and development are capitalized.

2.9 Leases

Leases are classified as finance leases whenever the terms of lease transfer substantially all the risks and rewards of ownership to the lessee. Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

(i) Operating Lease:

Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of the time pattern in which economic benefits from leased assets are consumed. The aggregate benefit of incentives (excluding inflationary increases where rentals are structured solely to increase in line with the expected general inflation to compensate for the lessor's inflationary cost increases, such increases are recognized in the year in which the benefits accrue) provided by the lessor is recognized as a reduction of rental expense over the lease term on a straight-line basis.

(ii) Finance Lease:

Assets held under finance leases are initially recognized as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability.

Finance expenses are recognized immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

2.10 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Company is committed to a sale plan involving disposal of an investment, the investment that will be disposed of is classified as held for sale when the criteria described above are met.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

2.11 Employee benefit expenses

Employee benefits consist of contribution to provident fund, superannuation fund, gratuity fund and compensated absences.

(i) Post-employment benefit plans

Defined Contribution plans

Payments to defined contribution retirement benefit scheme for eligible employees in the form of superannuation fund are charged as an expense as they fall due. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made.

The Company also makes contribution towards provident fund, in substance a defined contribution retirement benefit plan for qualifying employees. The provident fund is deposited with the Provident Fund Commissioner which is recognized by the Income Tax authorities.

Defined benefit plans

The Company operates various defined benefit plan such as gratuity fund.

The liability or asset recognized in the balance sheet in respect of its defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the said obligation is determined by discounting the estimated future cash outflows, using market yields of government bonds that have tenure approximating the tenures of the related liability.

The interest income / (expense) are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest income / (expense) on the net defined benefit liability or as set is recognized in the Statement of Profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

(ii) Short term employee benefit

Compensated absences which accrue to employees and which can be carried to future periods but are expected to be encashed or availed in twelve months immediately following the year end are reported as expenses during the year in which the employees perform the services that the benefit covers and the liabilities are reported at the undiscounted amount of the benefits after deducting amounts already paid. Where there are restrictions on availment of encashment of such accrued benefit or where the availment or encashment is otherwise not expected to wholly occur in the next twelve months, the liability on account of the benefit is actuarially determined using the projected unit credit method.

2.12 Foreign currency translation

The functional currency of the Company is Indian rupee

On initial recognition, all foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the date of the transaction. As at the reporting date, foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and the exchange gains or losses are recognized in the Statement of Profit and Loss.

2.13 Borrowing cost

Borrowing costs are interest and ancillary costs incurred in connection with the arrangement of borrowings. General and specific borrowing costs attributable to acquisition and construction of any qualifying asset (one that takes a substantial period of time to get ready for its designated use or sale) are capitalized until such time as the assets are substantially ready for their intended use or sale, and included as part of the cost of that asset. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All the other borrowing costs are recognized in the Statement of Profit and Loss within Finance costs of the period in which they are incurred.

2.14 Income tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year.

Current and deferred taxes are recognized in Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

Current tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Current tax assets and current tax liabilities are off set when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax

Deferred income tax is recognized using the Balance Sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognized only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of a deferred tax asset shall be reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

Deferred tax assets and liabilities are off set when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

2.15 Accounting of provisions, contingent liabilities and contingent assets

Provisions are recognized, when there is a present legal or constructive obligation as a result of past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. Where the effect is material, the provision is discounted to net present value using an appropriate current market-based pre-tax discount rate and the unwinding of the discount is included in finance costs.

Contingent liabilities are recognized only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

2.16 Earnings per share (EPS)

Basic EPS is computed by dividing the profit or loss attributable to the equity shareholders of the Company by the weighted average number of Ordinary shares outstanding during the year. Diluted EPS is computed by adjusting the profit or loss attributable to the ordinary equity shareholders and the weighted average number of ordinary equity shares, for the effects of all dilutive potential Ordinary shares.

27 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the financial statements:

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry-forwards can be utilized. In addition, significant judgment is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Impairment of non- financial assets

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Inventories

Management estimates the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices.

Defined Benefit Obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as attrition rate, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses (as analyzed in Note 28).

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain assets.

Fair value measurement of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for the asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non- financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and time between the acquisition of assets for processing and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current or noncurrent classification of assets and liabilities.

28 Group Structure - Related Party Relationship

Sl. No	Name of the Related Party	Relationship
1	S. Prasad Reddy	Key Managerial Person (Managing Director)
2	S. Sharat Reddy	Key Managerial Person (Executive Director)
3	S. Devaki Reddy	Relative of Key Managerial Person (Wife of S. Prasad Reddy, Managing Director)
4	Balasubramanian R	Key Managerial Person - Chief Financial Officer
5	N.Ganesan	Key Managerial Person (Company Secretary)
6	Katyayini Aquatech Pvt Ltd	S. Devaki Reddy – One of the Directors in the Company
7	SP Enterprises	S. Prasad Reddy – Managing Partner of the firm S. Sharat Reddy – One of the Partners of the firm
8	United Aquatech Pvt Ltd	Associate Company

Related Party Transactions - Other than KMP

(Rs.in Lakhs)

Particulars	Name of the company	For the year ended March 31, 2025	For the year ended March 31, 2024
Purchase of shrimp	Katyayini Aquatech P Ltd	2434.03	1810.03
	SP Enterprises	2058.85	1209.92
	United Aquatech Pvt Ltd	0.00	163.39
Sale of Shrimp / Feed	Katyayini Aquatech P Ltd	2092.57	1691.07
	SP Enterprises	1839.83	652.08
	United Aquatech Pvt Ltd	0.00	35.51

Transactions with key management personnel:

(Rs.In Lakhs)

Key management Personnel	Particulars of payment	For the year ended March 31, 2025	For the year ended March 31, 2024
S. Prasad Reddy	Remuneration	72.00	72.00
S. Sharat Reddy	Remuneration	60.00	60.00
S. Devaki Reddy	Rent	9.17	8.82
R. Balasubramanian	Salary	13.20	0.0
N.Ganesan	Salary	3.00	0.0

29 Gratuity and other post-employment benefit plan

(Rs.In Lakhs)

Sl. No.	Particulars	As At March 31, 2025	As At March 31, 2024
	Defined Benefit Plan		
a)	Defined benefit obligation at the beginning of the year	43.52	38.93
b)	Current Service Cost	7.79	5.25
	Interest Cost	3.12	2.84
	Actuarial (Gain)/loss	2.28	-0.96
	Benefits Paid	(2.59)	(2.54)
	Defined benefit obligation at the end of the year	54.12	43.52
	Expense recognized during the year	-	-
	Current Service Cost	7.79	5.25
	Interest Cost	3.12	2.84
	Actuarial Assumptions	-	-
	Discount Rate (per Annum)	6.55%	7.18%
	Rate Escalation in salary (per Annum)	10.00%	10.00%

Sensitivity Analysis (Gratuity)

(Rs. In lakhs)

Sl. No.	Particulars	Amount	Impact (Absolute)	%	Amount	Impact (Absolute)	%
a)	Discount Rate (-0.50/+0.50%)	54.80	0.68	1.25%	53.46	(0.66)	(1.22%)
b)	Salary Inflation (-1/+1 %)	52.85	(1.27)	(2.34%)	55.44	1.32	2.44%
c)	Withdrawal rate (-5/+5 %)	56.34	2.22	4.11%	52.32	(1.80)	(3.33%)

Maturity Profile of Defined Benefit Obligation (Gratuity)

(Rs. In lakhs)

Particulars	31-Mar-2025	31-Mar-2024
Year 1	12.53	10.93
Year 2	11.55	8.52
Year 3	9.25	7.69
Year 4	10.3	6.13
Year 5	5.4	6.56
After 5 th Year	16.09	13.63
Total	65.11	53.46

30 Commitments and contingencies

Contingent Liabilities

The Company is involved in a number of judicial, appellate and arbitration proceedings (including those described below) concerning matters arising in the course of conduct of the Company's businesses. A summary of claims asserted on the Company in respect of these cases have been summarized below.

Tax contingencies

Amounts in respect of claims asserted by various revenue authorities on the Company, in respect of taxes, which are in dispute, have been tabulated below:

Nature of Tax	As at March 31, 2025 (Rs. in lakhs)	As at March 31, 2024 (Rs. in lakhs)
Customs & Excise Duty	76.31	76.31
Service Tax	31.50	31.50

The management believes that the claims made are untenable and is contesting them. As of the reporting date, the management is unable to determine the ultimate outcome of above matters. However, in the event the revenue authorities succeed with enforcement of their assessments, the Company may be required to pay some or all of the asserted claims and the consequential interest and penalties, which would reduce net income and could have a material adverse effect on net income in the respective reported period.

Contingencies related to guarantees.

Name of bank	As at March 31, 2025 [#] (Rs. in lakhs)	As at March 31, 2024 (Rs. in lakhs)
Financial guarantees given to Companies	1000.00	1300.00

[#]Contingent liability as on 31st March 2025 was closed w.e.f 23rd April 2025

Guarantee creates a possible obligation on the company. The management believes that the likelihood of an actual outflow of resources due to these guarantees are remote and the potential liability is not expected to materialize.

Amount in respect of other claims

Bank Guarantees issued on behalf of the company

Name of bank	As at March 31, 2025 (Rs. in lakhs)	As at March 31, 2024 (Rs. in lakhs)
Federal bank	15.2	15.2
Axis Bank	153.94	150.81
Total	169.14	166.01

However, in respect of the above matters, management does not believe, based on currently available information, that the outcomes of the litigation, will have a material adverse effect on the Company's

financial condition, though the outcomes could be material to the Company's operating results for any particular period, depending, in part, upon the operating results for such period.

31 Operating Segment Reporting

The Company's only Business is Integrated Aqua Culture and related activities and hence there is no separate reportable segment as per Indian Accounting Standard (IND AS-108) on "Operating Segment" prescribed in Companies (Indian Accounting Standards) Rules, 2015.

32 Financial risk management objectives and policies

The Company's principal financial liabilities comprise of loans and borrowings, trade and other payables, and other current liabilities. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company has loans and receivables, trade and other receivables, and cash and short-term deposits that arise directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees the management of these risks. The Company's senior management advises on financial risks and the appropriate financial risk governance framework.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below:

Market risk

Market risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, currency risk and other price risk, such as equity risk. Financial instruments affected by market risk include loans and borrowings, deposits, available-for-sale investments.

The sensitivity analyses in the following sections relate to the position as at March 31, 2025 and March 31, 2024

The following assumptions have been made in calculating the sensitivity analyses:

The sensitivity of the statement of comprehensive income is the effect of the assumed changes in interest rates on the net interest income for one year, based on the average rate of borrowings held during the year ended March 31, 2025, all other variables being held constant. These changes are reasonably possible based on observation of current market conditions.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the long-term debt obligations with average interest rates.

The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant. If interest rates increase or decrease by 100 basis points with all other variables being constant, the Company's profit after tax for the year ended March 31, 2025 would decrease or increase by Rs. Nil. (March 31, 2024 : Rs. Nil).

Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate.

The Company's exposure to foreign currency arises where a Company holds monetary assets and liabilities denominated in a currency different to the functional currency of that entity:

Currency	As at March 31, 2025		Currency	As at March 31, 2024	
	Financial assets	Financial liabilities		Financial assets	Financial liabilities
USD	1,00,6,815.29	5,04,108.70	USD	14,28,088.00	7,22,413.00

Set out below is the impact of a 10% change in the US dollar on profit arising as a result of the revaluation of the Company's foreign currency financial instruments:

Currency	As at March 31, 2025		Currency	As at March 31, 2024	
	Closing rate	Effect of 10% strengthening of USD on net earnings		Closing rate	Effect of 10% strengthening of USD on net earnings
USD	85.84	502706.59	USD	83.41	70,567.50

The impact on total equity is the same as the impact on net earnings as disclosed above.

Credit risk

Credit risk is the risk that a counter party fails to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments, for example trade receivables, deposits, loans etc. the Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognized at March 31, as summarized below:

(Rs.In Lakhs)

Classes of Financial Assets	As at March 31, 2025	As at March 31, 2024
Investments	-	-
Trade Receivable	10139.30	6,082.16
Cash and bank balances	2126.60	129.29
Bank Balances other than above bank balances	464.70	375.50
Other Financial assets	-	-
Total	12730.60	6586.95

The Company continuously monitors defaults of customers and other counterparties, identified either individually or by the Company, and incorporate this information into its credit risk controls. The Company's policy is to transact only with counterparties who are highly creditworthy which are assessed based on internal due diligence parameters.

In respect of trade receivables, the Company is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various geographical areas. Based on historical information about customer default rates management consider the credit quality of trade receivables that are not past due or impaired to be good.

The credit risk for cash and cash equivalents, fixed deposits and mutual funds are considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Other financial assets mainly comprise of tender deposits and security deposits which are given to customers or other governmental agencies in relation to contracts executed and are assessed by the Company for credit risk on a continuous basis.

Liquidity risk

The following is an analysis of the Company's contractual undiscounted cash flows payable under financial liabilities as at March 31, 2025 and March 31, 2024.

(Rs. In.Lakhs)

As at 31 st March 2025	Current	Non current		Total
	Within 12 Months	1-5 years	More than 5 years	
Borrowings	10,713.98	579.00	-	11,292.98
Trade Payables	1,649.92	-	-	1,649.92
Other Financial Liabilities	8.64	35.01	360.49	404.13
Total	12,372.53	614.01	360.49	13,347.02

As at 31 st March 2024	Current	Non current		Total
	Within 12 Months	1-5 years	More than 5 years	
Borrowings	8,874.18	676.32	-	9,550.50
Trade Payables	1,218.93	-	-	1,218.93
Other Financial Liabilities	7.13	81.32	420.65	509.10
Total	10,100.24	757.64	420.65	11,278.53

Trade Receivables-Billed-Current

(Rs. In lakhs)

Particulars	As At 31 st March 2025	As At 31 st March 2024
Trade Receivables-Billed	9768.50	5673.96
Less: Allowance for Doubtful trade receivables – Billed	(59.61)	(22.21)
Considered Good	9708.90	5651.76

Ageing for Trade Receivables – Current Outstanding as at 31st March 2025

(Rs. in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6month – 1Year	1-2 Years	2-3 Years	More Than 3 Years	
Trade Receivables – Billed							
Undisputed trade receivables-considered good	5367.81	2249.00	2092.09	-	-	-	9708.90
Undisputed trade receivables – Which have significant increase in Credit risk	-	-	-	-	-	-	-
Undisputed trade receivables-credit impaired	-	-	-	-	-	-	-
Disputed trade receivables-considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
Total	5367.81	2249.00	2092.09	-	-	-	9708.90

Ageing for Trade Receivables – Current Outstanding as at 31st March 2024

(Rs. in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6month – 1Year	1-2 Years	2-3 Years	More Than 3 Years	
Trade Receivables – Billed							
Undisputed trade receivables-considered good	3025.23	1952.57	673.96	-	-	-	5,651.76
Undisputed trade receivables – Which have significant increase in Credit risk	-	-	-	-	-	-	-
Undisputed trade receivables-credit impaired	-	-	-	-	-	-	-
Disputed trade receivables-considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
Total	3025.23	1952.57	673.96	-	-	-	5651.76

Trade Receivables-Billed-Non-Current

(Rs. in Lakhs)

Particulars	As At 31 st March 2025	As At 31 st March 2024
Trade Receivables-Billed	430.41	430.41
Less: Allowance for Doubtful trade receivables – Billed	-	-
Considered Good	430.41	430.41

Ageing for Trade Receivables – Non-Current Outstanding as at 31st March 2025

(Rs. in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6month – 1Year	1-2 Years	2-3 Years	More Than 3 Years	
Trade Receivables – Billed							
Undisputed trade receivables- considered good	-	-	-	-	-	-	-
Undisputed trade receivables – Which have significant increase in Credit risk	-	-	-	-	-	-	-
Undisputed trade receivables- credit impaired	-	-	-	-	-	-	-
Disputed trade receivables- considered good	-	-	-			430.41	430.41
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
Total	-	-	-	-		430.41	430.41

Ageing for Trade Receivables – Non-Current Outstanding as at 31st March 2024

(Rs. in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6month – 1Year	1-2 Years	2-3 Years	More Than 3 Years	
Trade Receivables – Billed							
Undisputed trade receivables- considered good	-	-	-	-	-	-	-
Undisputed trade receivables – Which have significant increase in Credit risk	-	-	-	-	-	-	-
Undisputed trade receivables- credit impaired	-	-	-	-	-	-	-
Disputed trade receivables- considered good	-	-	-		143.73	286.68	430.41
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
Total	-	-	-	-	143.73	286.68	430.41

Trade Payables**Ageing for Trade Payables – Current Outstanding as at 31st March 2025**

(Rs. in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	
Trade Payables MSME*	564.96	-	-	-	-	564.96
Others	1084.96	-	-	-	-	1084.96
Disputed Dues – MSME*	-	-	-	-	-	-
Disputed Dues – Others	-	-	-	-	-	-
Total	1649.92	-	-	-	-	1649.92

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006

Ageing for Trade Payables – Current Outstanding as at 31st March 2024

(Rs. in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	
Trade Payables MSME*	-	-	-	-	-	-
Others	1218.93	-	-	-	-	1218.93
Disputed Dues – MSME*	-	-	-	-	-	-
Disputed Dues – Others	-	-	-	-	-	-
Total	1218.93	-	-	-	-	1218.93

Trade Payables**Ageing for Trade Payables – Non-Current Outstanding as at 31st March 2025**

(Rs. in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	
Trade Payables MSME*	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed Dues – MSME*	-	-	-	-	-	-
Disputed Dues – Others	-	-	-	-	-	-
Total	-	-	-	-	-	-

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006

Ageing for Trade Payables – Non-Current Outstanding as at 31st March 2024

(Rs. in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	
Trade Payables MSME*	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed Dues – MSME*	-	-	-	-	-	-
Disputed Dues – Others	-	-	-	-	-	-
Total	-	-	-	-	-	-

Financial Ratios

Ratio	2024-2025	2023-24
Current Ratio	1.76	1.42
Debt-Equity Ratio	1.35	1.66
Debt Service Coverage Ratio	1.90	1.58
Return on Equity Ratio	7.3%	7.0%

Ratio	2024-2025	2023-24
Inventory Turnover Ratio	4.04	3.77
Trade Receivables Turnover Ratio	4.69	4.99
Trade Payables Turnover Ratio	20.58	16.96
Net Capital Turnover Ratio	3.89	6.83
Net Profit Ratio	2.6%	1.9%
Return on Capital Employed	17.0%	17.8%

Disclosure of Shareholding Promoters

Disclosure of shareholding of promoters as at 31st March 2025 is as follows

Promoter Name	Shares held by promoters				% Changing During the Year
	As at 31 st March 2025		As at 31 st March 2024		
	No. of Shares	% of total Shares	No. of Shares	% of total Shares	
Prasad Reddy Sabbella	72,97,641	18.50%	72,97,641	30.52%	-12.0%
S. Sharat Reddy	86,03,300	21.81%	18,03,300	7.54%	14.3%
Devaki Reddy Sabbella	12,65,500	3.21%	1,85,500	0.77%	2.4%
S. Charita Reddy Sabbella	28,000	0.07%	28,000	0.12%	-0.1%
Total	1,71,94,441	43.58%	93,14,441	38.95%	4.6%

Disclosure of shareholding of promoters as at 31st March 2024 is as follows:

Promoter Name	Shares held by promoters				% Changing During the Year
	As at 31 st March 2024		As at 31 st March 2023		
	No. of Shares	% of total Shares	No. of Shares	% of total Shares	
Prasad Reddy Sabbella	72,97,641	30.52%	72,97,641	30.52%	0.0%
S. Sharat Reddy	18,03,300	7.54%	18,03,300	7.54%	0.0%
Devaki Reddy Sabbella	1,85,500	0.77%	1,85,500	0.77%	0.0%
S. Charita Reddy Sabbella	28,000	0.12%	28,000	0.12%	0.0%
Total	93,14,441	38.95%	93,14,441	38.95%	0.0%

A) Capital work-in-progress

Ageing for capital work-in-progress as at March 31, 2025 is as follows

(Rs. in lakhs)

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1 – 2 Years	2-3 Years	More than 3 Years	
Capital Work in Progress	30.41	157.73	-	-	188.14
Total	30.41	157.73	-	-	188.14

Ageing for capital work-in-progress as at March 31, 2024 is as follows:

(Rs. in lakhs)

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1 – 2 Years	2-3 Years	More than 3 Years	
Capital Work in Progress	32.01	95.09	-	-	127.10
CWIP - Condenser	-	-	-	-	-
CWIP – Intangible Assets	15.63	15.00	-	-	30.63
Total	47.64	110.09	-	-	157.73

33 Capital Management

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximize the shareholders' value. The Company's overall strategy remains unchanged from previous year. The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity, internal fund generation and borrowed funds. The Company's policy is to use short term and long-term borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the net debt to equity ratio. The Company is not subject to any externally imposed capital requirements. Net debt is long term and short-term debts as reduced by cash and cash equivalents (including restricted cash and cash equivalents) and short-term investments. Equity comprises share capital and free reserves (total reserves excluding capital reserve). The following table summarizes the capital of the Company:

(Rs. in Lakhs)

Particulars	March 31, 2025	March 31, 2024
Share Capital	3804.77	2391.25
Free Reserves (Excluding Capital Reserve)	4642.21	3647.94
Equity (A)	8446.98	6039.19
Short term borrowings	10354.76	8255.44
Long Term Borrowings	974.49	1178.29
Current Maturities of Long-term borrowings	359.21	618.74
Debt (B)	11688.47	10052.47
Cash and Cash Equivalents	2126.60	129.29
Short Term Investments	-	-
Total Cash (C)	2126.60	129.29
Net Debt (B-C) =D	9561.87	9923.18
Net Debt to Equity Ratio (D/A) =E	1.13	1.64

Loans availed from banks/financial institutions against current assets:

The quarterly returns or statements filed by the Company for working capital limits with such banks and financial institutions are in agreement with the books of account of the Company

34 Previous year figures

Previous year's figures have been restated, rearranged and regrouped, wherever necessary to enable comparability of the current year's position of accounts with that of the relative previous year's position.

35 Approval of Financial Statements

The financial statements were approved for issue by the Board of Directors on 29th May 2025.

For and on behalf of the Board of Directors

For A.R. KRISHNAN & ASSOCIATES

Chartered Accountants

FRN No: 009805S

B. Anandaramkrishnan

Partner

M.No. 209122

Place: Nellore

Date: 29th May 2025

S. PRASAD REDDY

Managing Director

(DIN : 00069094)

Balasubramanian R

Chief financial officer

S. SHARAT REDDY

Executive Director

(DIN : 02929724)

Ganesan N

Company Secretary

INDEPENDENT AUDITORS' REPORT

**To The Members of
SHARAT INDUSTRIES LIMITED
Report on the Consolidated Ind AS Financial
Statements**

Opinion

We have audited the accompanying Consolidated Ind AS financial statements of Sharat Industries Limited ('the Parent') and its associates (together referred to as the "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2025, the Consolidated Statement of Profit and Loss (inclusion of other comprehensive income) for the year then ended, the Consolidated Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2025, of its consolidated profit and other comprehensive loss, its consolidated cash flows and the consolidated changes in equity for the year ended.

Basis of Opinion

We conducted our audit of the Consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the

Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the Ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules there under, 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 opinion on the Consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon and we have determined that there are no key audit matters to communicate in our report.

Information other than the financial statements and auditors' report thereon

The Parent's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial

statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibilities for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act 2013, with respect to the preparation of these Consolidated financial statements that give a true and fair view of the consolidated financial position and consolidated financial performance, of the Group in accordance with the Accounting Principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error

In preparing the Consolidated financial statements, the respective managements of the companies included in the Group are responsible for assessing each 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each Company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements 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 Consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the Consolidated financial statements, 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 controls 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 the internal financial controls systems in place with reference to the consolidated financial statements 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 management.
- Conclude on the appropriateness of management's 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 companies included in the group'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 consolidated financial statements or, if such disclosure 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of entities within the Group to express an opinion on the consolidated financial statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements. We remain solely responsible for our audit opinion.

We also communicate with those charged with governance of the parent and such other Companies included in the consolidated financial statements of which we are the independent auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Independent Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of subsection (11) of Section 143 of the Act, we give in the "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143 (3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company

so far as it appears from our examination of those books.

- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of accounts maintained for the purpose of the preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e) On the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors of the Parent and on the basis of written representations received by the management from the directors of its associates as on 31st March, 2025, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2025, from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect of the adequacy of the Internal Financial Controls over Financial Reporting of the company and its operating effectiveness of such controls, refer to our separate report in “**Annexure B**”.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact on the pending litigations on its financial position in the consolidated financial statements – Refer Note 30 to the Consolidated financial statements.
 - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund.

- iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person or entity, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

- h) The parent of its associates has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
- i) Based on our examination carried out in accordance with the Implementation Guidance on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (Revised 2024 Edition) issued by the Institute of Chartered Accountants of India, which included test checks, we report that the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Our examination of the audit trail was in the context of an audit of financial statements carried out in accordance with the Standard of Auditing and only to the extent required by Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014. We have not carried out any audit or examination of the audit trail beyond the matters required by the aforesaid Rule 11(g) nor have we carried out any standalone audit or examination of the audit trail.”
- j) With respect to the matter to be included in the Auditors’ Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the remuneration paid to the directors during the year is in accordance with the section 197 of the Act. The remuneration paid to any director is not in excess of the limit.

For A.R. KRISHNAN & ASSOCIATES
Chartered Accountants
FRN : 009805S

B. Anandaramakrishnan
Partner

Membership No.: 209122
UDIN : 25209122BMKVL09499

Place: Chennai
Date: 29/05/2025



“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT OF SHARAT INDUSTRIES LIMITED

In terms of the information and explanations sought by us and given by the Company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that: -

i) In respect of its fixed assets:

- a) A)** The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- B)** The company has maintained proper records showing full particulars of intangible assets;
- b)** All the Property, Plant and Equipment have been physically verified during the year by the Management in accordance with a regular program of verification which, in our opinion, provides for physical verification of all the Property, Plant and Equipment at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c)** According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. Immovable properties of land and buildings whose title deeds have been pledged as security for loans are held in the name of the Company.
- d)** The company is following cost model, hence revaluation of property, plant and equipment (including right of use assets) or intangible assets or both for the year is not applicable.
- e)** No proceedings have been initiated or are pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder, if so, whether the company has appropriately disclosed the details in its financial statements.

ii) In respect of inventories:

- a)** The Inventory has been physically verified at reasonable intervals during the year by the management. In our opinion, the frequency of verification is reasonable and the procedures followed were appropriate. No Discrepancies were noticed on verification between the physical stocks and book records that were 10% or more in the aggregate for each class of inventory.
- b)** The company has been sanctioned working capital of Rs. 113.05 Crores, in aggregate, from banks or financial institutions on the basis of security of current assets; and the statements filed by the company with banks or financial institutions are in agreement with the books of account of the Company.

iii) In respect of loans, secured or unsecured, granted to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013:

The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3 (iii) of the Order are not applicable to the Company and hence not commented upon.

iv) According to the information and explanations given to us and on the basis of examination of the records, the company has not provided any loans or any guarantee or security or made any investment as specified under section 185 and section 186 of the Companies Act, 2013. Hence, the clause 3(iv) of the order is not applicable.

v) In respect of public deposits:

The Company has not accepted any deposits from the public. Therefore, the provisions of section 73 and 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) with regard to the deposits accepted from the public and from the members are not applicable to the Company. . Hence, the clause 3(v) of the order is not applicable.

vi) In respect of cost records:

The Central Government of India has not prescribed the maintenance of cost records under section 148 (1) of the Companies Act, 2013 for any of the services rendered by the Company. Hence, the clause 3(vi) of the order is not applicable.

vii) In respect of statutory dues:

a) The Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with appropriate authorities during the year. There were no undisputed amounts payable in respect of the aforesaid statutory dues outstanding as at March 31, 2025 for a period of more than six months from the date they became payable.

b) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax which have not been deposited as on March 31, 2025 on account of disputes are given below

Name of the Statute	Nature of dues	Forum where the Dispute is pending	Period to which the amount relates	Amount (Rs. in Lakhs)
Customs Act, 1962 [#]	Customs Duty	In the High Court of Judicature of Andhra Pradesh at Hyderabad.	2004-2005	76.31
Finance Act, 1994 (Chapter IV)	Service Tax	In the High Court of Judicature of Andhra Pradesh at Hyderabad.	2015-2016	31.50

[#]We have received a favourable order on 22nd April 2025 with respect to customs duty.

viii) In respect of surrendered or disclosed an unrecorded income:

The company has not surrendered or disclosed any unrecorded income during the year in the tax assessments under Income Tax Act, 1961 (43 of 1963).

ix) a) According to the information and explanations given to us and as per the records produced to us, the company does not make any default in repayment of loan or other borrowings or in the payment of interest thereon to any lender.

b) As per the information obtained, the company has not been declared as wilful defaulter by any bank or financial institutions or other lender.

c) In respect of term loan, the company were applied for the purpose of which the loans were obtained.

- d)** In respect of short-term loan, the fund raised on short term basis have not been utilized for long term purpose.
- e)** According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its associate as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- f)** According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its associate as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- x)** In respect of fund raised.
 - a)** The company has not raised money by way of initial public offer or further public offer (including debt instrument) during the year.
 - b)** The company has not made private placement of shares during the year,
- xi)** In respect of fraud
 - a)** No material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of audit
 - b)** No report was filed under sub-section (12) of section 143 of the companies with the central government.
 - c)** During the year no whistle-blower complaints were received by the company.
- xii)** In respect of Nidhi Company:

The Company is not a Nidhi Company. Hence, paragraph 3(xii) of the Order is not applicable.
- xiii)** In respect of transactions with related parties:

All transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the Financial Statements etc., as required by the applicable Indian Accounting Standards.
- xiv)** In respect of internal audit system.
 - a)** The Company has internal audit system as appropriate with size and nature of its business.
 - b)** In respect of Internal audit report, internal audit report for the period were considered during the audit.
- xv)** In respect of non-cash transactions with directors:

The Company has not entered into any non-cash transactions with directors or persons connected with him hence this clause is not applicable.
- xvi)** In respect of non-banking financial activities.
 - a)** The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

- b)** The Company does not conduct any non-banking financial or Housing Finance activities.
- c)** The company is not a core investment company (CIC) as defined in regulation made by the Reserve Bank of India, Hence the clause 3(xvi)(c) of the order is not applicable.
- xvii)** As per the information and explanation furnished to us, the company did not make any cash loss during the year.
- xvii)** Based on the information and explanation given to us, no such resignation of the statutory auditor was occurred during the year.
- xix)** On the basis of the financial ratios, ageing and expected date of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statement, based on our knowledge of the director and management plans, in our opinion there is no material uncertainty exist as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from balance sheet date. We, however state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date the audit report and we neither give any of the audit report and and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx)** According to the information and explanation given to us, the company Liability towards CSR activities are spent and no unspent amount of CSR liability is with Company, hence clause 3(xx) of the order is not applicable.
- xxi)** According to the information and explanations given to us, there have been no qualifications or adverse remarks in the Companies (Auditor's Report) Order (CARO) by the auditor of the associate company included in the Consolidated Financial Statements.

For A.R. KRISHNAN & ASSOCIATES
Chartered Accountants
FRN : 009805S

B. Anandamakrishnan
Partner

Place: Chennai
Date: 29/05/2025

Membership No.: 209122
UDIN : 25209122BMKVL09499

“ANNEXURE B” TO ‘THE INDEPENDENT AUDITOR’S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SHARAT INDUSTRIES LIMITED FOR THE YEAR ENDED 31 MARCH 2025

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

In conjunction with our audit of the Consolidated Financial Statements of SHARAT INDUSTRIES LIMITED (“Parent Company”) as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to the Consolidated Financial Statements of the parent company and its associates as of that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor referred in the other matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system with reference to the Consolidated financial statements.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements of the associate company, is based on the corresponding report of the auditor of the associate.

For A.R. KRISHNAN & ASSOCIATES
Chartered Accountants
FRN : 009805S

B. Anandaramakrishnan
Partner

Place: Chennai
Date: 29/05/2025

Membership No.: 209122
UDIN : 25209122BMKVL09499

SHARAT INDUSTRIES LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2025

(Rs. in Lakhs)

	Particulars	Note No.	As At Mar 31, 2025	As At Mar 31, 2024
I	ASSETS			
	(1) Non-Current Assets			
	(a) Property, Plant & Equipment	3	4,348.30	4,623.29
	(b) Capital Work in Progress	3	188.14	157.73
	(c) Intangible Assets	3	-	-
	(d) Intangible Assets under Development			
	(e) Financial Assets	4	-	-
	(f) Deferred Tax Asset			
	(g) Other Non-Current Assets	4.1	262.88	262.92
	(h) Trade Receivables	4.2	430.41	430.40
	Total Non-Current Assets		5,229.73	5,474.35
	(2) Current Assets			
	(a) Inventories	5	7,521.73	6,667.72
	(b) Financial Assets			
	(i) Investments		-	-
	(ii) Trade Receivables	6	9708.90	5,651.76
	(iii) Cash and Cash Equivalents	7	2126.60	129.29
	(iv) Bank Balances Other than (iii) above	8	464.70	375.50
	(v) Others	8.1	144.24	235.82
	(c) Other Current Assets	9	2746.57	1,850.69
	Total Current Assets		22,712.73	14,910.77
	TOTAL ASSETS		27,942.46	20,385.12
II	EQUITY & LIABILITIES			
	(1) Equity			
	(a) Equity Share Capital	10	3,804.77	2,391.25
	(b) Other Equity	11	9,871.57	6,001.36
	Total Equity		13,676.34	8,392.61
	(2) Non-Current Liabilities			
	(a) Financial Liabilities		-	-
	(i) Borrowings	12	579.00	676.32

(Rs in Lakhs)

	Particulars	Note No.	As At Mar 31, 2025	As At Mar 31, 2024
	(ii) Other Financial liabilities[other than those specified in (b) below]	12.1	395.49	501.97
	(iii) Trade Payables	12.2	-	-
	(b) Provisions	13	45.48	36.39
	(c) Deferred Tax Liabilities (Net)	14	305.42	289.42
	Total Non-Current Liabilities		1,325.39	1,504.09
	(3) Current Liabilities			
	(a) Financial Liabilities		-	-
	(i) Borrowings	15	10,713.98	8,874.18
	(ii) Trade Payables	16	1,649.92	1,218.93
	(iii) Other Financial liabilities[Other than those specified in (c) below]	17	8.64	7.13
	(b) Other Current Liabilities	18	14.67	22.05
	(c) Provisions	19	553.53	366.12
	Total Current Liabilities		12,940.73	10,488.41
	TOTAL EQUITY & LIABILITIES		27,942.46	20,385.12
Significant Accounting Policies & Notes forming part of the financial statements		1 & 2		

The accompanying notes are integral part of the financial statements.

As per our report of even date

For and on behalf of the Board of Directors

For A.R. Krishnan & Associates
Chartered Accountants
F.R. No. 009805S

S. Prasad Reddy
 Managing Director
 DIN: 00069094

S. Sharat Reddy
 Executive Director
 DIN: 02929724

B. Anandaramakrishnan
Partner
M.No. 209122
UDIN: 25209122BMKVLO9499

Balasubramanian R
 Chief Financial Officer

Ganesan N
 Company Secretary

Place : Nellore
Date: 29-05-2024

SHARAT INDUSTRIES LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31st MARCH 2025

(Rs. in Lakhs)

	Particulars	Note No.	For the Year ended Mar 31, 2025	For the Year ended Mar 31, 2024
I	Revenue from Operations	20	38,053.48	30,215.92
II	Other Income	21	175.95	58.77
III	Total Income (I+II)		38,229.43	30,274.69
IV	Expenses			
	(a) Cost of Materials Consumed	22	29,518.88	24,370.26
	(b) Purchase of Stock in trade			
	(c) Changes in Inventory	23	(880.66)	(1,418.75)
	(d) Employee Benefits Expense	24	831.93	720.69
	(e) Finance Costs	25	1,147.41	938.78
	(f) Depreciation and Amortisation Expense	3	481.81	469.50
	(g) Other Expenses	26	5,727.25	4,428.29
	Total Expenses (IV)		36,826.62	29,508.77
V	Profit Before Exceptional items and Tax (III-IV)		1,402.81	765.92
	Share of Profit/(Loss) from Associate		-	-
VI	Exceptional Items		-	-
VII	Profit Before Tax (V-VI)		1,402.81	765.92
VIII	Tax Expense			
	(a) Current Tax		390.26	125.28
	(b) Mat Credit Entitlement		-	82.63
	(c) Deferred Tax		16.63	(29.29)
IX	Profit /(Loss) for the year (VII-VIII)		995.92	587.30

	Particulars	Note No.	For the Year ended Mar 31, 2025	For the Year ended Mar 31, 2024
X	Other Comprehensive Income		(1.64)	0.69
	Items that will not be reclassified to profit/ (loss)		-	-
XI	Total Comprehensive Income for the year (comprising of profit for the year and other comprehensive income [IX+X])		- 994.28	- 587.99
XII	Earnings per Equity Share [Nominal Value of Rs.10/- per share]	27	-	-
	(1) Basic		3.04	1.9
	(2) Diluted		3.04	1.9
	Face Value of the Share		10	10

Significant Accounting Policies & Notes forming part of the financial statements

The accompanying notes are integral part of the financial statements.

As per our report of even date

For and on behalf of the Board of Directors

For A.R. Krishnan & Associates
Chartered Accountants
F.R. No. 009805S

S. Prasad Reddy
 Managing Director
 DIN: 00069094

S. Sharat Reddy
 Executive Director
 DIN: 02929724

B. Anandaramkrishnan
Partner
M.No. 209122
UDIN: 25209122BMKVL09499

Balasubramanian R
 Chief Financial Officer

Ganesan N
 Company Secretary

Place : Nellore
Date: 29-05-2025

SHARAT INDUSTRIES LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR
ENDED 31ST MARCH 2025

(Rs.in Lakhs)

S.No	Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit / (Loss) Before Extraordinary Items and Tax	1,402.81	765.92
	Adjustments for:		
	Depreciation and impairment of Property, plant and equipment	481.81	469.50
	Amortisation and impairment of intangible assets	-	-
	Loss on sale of Investments	-	-
	Finance Costs	1,147.41	938.78
	Gratuity	(2.28)	0.96
	Wealth Tax	-	-
	(Profit)/Loss on Sale of Vehicle	-	-
	Interest Income	(28.67)	(20.65)
	Share of Loss from Associate	-	-
	Creditors no Longer Payable	-	-
	Capital Subsidy	-	-
	Provision for Bad and Doubtful Debts	-	-
	Operating Profit/(Loss) Before Working Capital Changes	3,001.08	2,154.51
	Changes in Working Capital:	-	-
	Adjustment for (Increase) / Decrease in Operating Assets		
	Inventories	(854.01)	(1,154.15)
	Trade Receivables	(4,057.14)	(44.68)
	Short term Loans and Advances	91.59	229.55
	Bank Balances Other than cash & Cash Equivalents	(89.20)	(28.58)
	Others	(895.89)	(615.82)
	Adjustment for Increase / (Decrease) in Operating Liabilities	-	-
	Trade Payables	430.99	(384.36)
	Other Current Liabilities	(5.87)	(1.42)

S.No	Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
	Long Term Provisions	9.10	6.98
	Short Term Provisions	187.41	(203.15)
	Cash generated from operations	(2181.96)	(41.12)
	Cash outflow due to Exceptional Items	-	-
B.	Cash generated from operations	(2181.96)	(41.12)
	Net Income Tax (Paid)/Refund	(390.26)	(125.28)
	NET CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES - A	(2572.22)	(166.4)
	CASH FLOW FROM INVESTING ACTIVITIES		
	Capital Expenditure on Fixed Assets	(206.82)	(160.96)
	Decrease / (Increase) in Capital Work in Progress	(30.41)	(17.73)
	Proceeds from Sale of Fixed Assets	0.00	-
	Long Term Loans and Advances	0.03	(9.57)
	Interest Received	28.67	20.65
	Investment in Joint Venture	-	-
	NET CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES - B	(208.52)	(167.61)
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds / (Repayment) from / of Long Term Borrowings	(97.32)	(373.89)
	Current Maturities of Long term Debt/ Other Financial Liabilities	(106.48)	4.88
	Other Short term Borrowings	1839.80	997.75
	Trade Payables	0.00	(20.00)
	Finance Costs	(1147.41)	(938.78)
	capital subsidy received from government	-	-
	Share Warrants related Premium Money received	4,289.45	-
	Interim Dividend Paid	-	(59.78)
	NET CASH FROM / (USED IN) FINANCING ACTIVITIES - C	4778.05	(389.82)
	Net Increase/(Decrease) in Cash and Cash Equivalents (A + B + C)	1997.31	(723.83)

(Rs in Lakhs)

S.No	Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
	Cash and Cash Equivalents at the beginning of the year (i.e. 1st April)	129.29	853.12
	Cash and Cash Equivalents at the end of the Year (i.e., 31st March 2025)	2126.60	129.29
	Reconciliation of Cash and Cash Equivalents with the Balance sheet	-	-
	Cash and Cash Equivalents as per Balance Sheet (Refer Note No.13)	-	-
	Cash and Cash Equivalents at the end of the year	-	-
	Comprises:	-	-
	Cash on hand	12	10.17
	Balance with Banks	-	-
	- in Current Accounts	2114.60	119.12
	- in Deposit Accounts	-	-
		2126.60	129.29

As Per our Report of even date

For and on behalf of the Board of Directors

For A.R. Krishnan & Associates
Chartered Accountants
F.R. No. 009805S

S. Prasad Reddy
 Managing Director
 DIN: 00069094

S. Sharat Reddy
 Executive Director
 DIN: 02929724

B. Anandaramakrishnan
Partner
M.No. 209122
UDIN: 25209122BMKVLO9499

Balasubramanian R
 Chief Financial Officer

Ganesan N
 Company Secretary

Place : Nellore
Date: 29-05-2025

Notes forming part of the Financial Statements

(I) Assets

1) Non Current Assets

(Rs.in Lakhs)

Particulars	Note No.	As At Mar 31, 2025	As At Mar 31, 2024
Non Current Assets		-	-
Financial Assets			
Equity instruments in Joint Venture	4.0	-	-
Total		-	-
Other Non-Current Assets	4.1	-	-
Unsecured, Considered Good		-	-
(to Parties other than related Party)		-	-
Capital Advances		-	-
Advances Other than Capital Advances		-	-
Balances With Government Authorities		-	-
Security Deposits		262.88	262.92
Other Advances			
Total (a+b+c)		262.88	262.92
(h) Trade Receivables	4.2	430.41	430.40
Less : Allowance for Doubtful debts		-	-
Total		430.41	430.40
2) Current Assets			
(A) Inventories :	5.0	-	-
(As valued and certified by the Management)		-	-
(i) Raw Materials		334.06	292.20
(ii) Finished Goods		7,112.64	6,231.98
(iii) Stock of Spares		75.03	143.54
(iv) Biological Asset		-	-
		7,521.73	6,667.72

(Rs in Lakhs)

Particulars	Note No.	As At Mar 31, 2025	As At Mar 31, 2024
(B) Financial Assets :			
(i) Trade Receivables :	6.0	-	-
Trade Receivables		9,768.50	5,673.96
Less : Allowance for Doubtful debts		-	-
		9,768.50	5,673.96
Receivables from Related Parties		-	-
Total		9,768.50	5,673.96
Current		9,768.50	5,673.96
Non-Current		-	-
Breakup of Good and Doubtful Debts		-	-
Unsecured, Considered good		9,768.50	5,673.96
Unsecured, Considered doubtful		-	-
Total		9,768.50	5,673.96
Impairment Allowance (allowance for bad and doubtful debts):		-	-
Unsecured, Considered good		9,768.50	5,673.96
Unsecured, Considered doubtful		(59.61)	(22.21)
Total		9,708.90	5,651.76
(ii) Cash and Cash Equivalents :	7.0	-	-
(a) Cash on hand		12.00	10.17
(b) Balances with Banks:		-	-
i) in Current Accounts		2,114.60	119.12
ii) Deposits with original maturity of less than 3 months		-	-
Current		2126.60	129.29
Non-Current			
(ii) Bank Balances Other Than Referred Above	8.0	-	-
(a) Earmarked balances :		-	-
i) Unclaimed dividend account		-	-
ii) In deposit accounts		464.70	375.50
(b) Balances with banks :		-	-
Deposits with original maturity of more than 3 months		-	-

(Rs in Lakhs)

Particulars	Note No.	As At Mar 31, 2025	As At Mar 31, 2024
(c) EEFC Balances		-	-
(d) Deposit Accounts		-	-
Total		464.70	375.50
(v) Others	8.1	144.24	235.82
(C) Other Current Assets	9.0	-	-
(a) Loans and Advances to Employees		-	-
Unsecured, considered good		2.00	5.60
Less : Provision for Doubtful Advances		-	-
		2.00	5.60
(b) Loans and Advances to Vendors & Others		84.11	15.04
(c) Prepaid Expenses		69.80	36.00
(d) Balances with Government Authorities		266.00	317.65
(e) Others		2,324.65	1,476.40
		2,746.57	1,850.69

(II) EQUITY & LIABILITIES**1) Equity**

(Rs.in Lakhs)

Particulars	Note No.	As At Mar 31, 2025	As At Mar 31, 2024
a) Equity Share Capital	10.0	-	-
Authorised :			
Equity Shares of Rs. 10/- each		5,000.00	5,000.00
No. of shares FY : 5,00,00,000 (PY 5,00,00,000)		5,000.00	5,000.00
Issued, Subscribed and Paid up:			
Fully paid up No. of shares 37578388@10/- = 375783880/-		3757.84	2391.25
Partly paid up No. of shares 1877237@2.5/- = 4693093/-		46.93	-
No. of shares FY: 3,94,55,625 (PY: 2,39,12,500)		3,804.77	2,391.25

(a) All the Equity Shares carry equal rights and obligations including for dividend and with respect to voting rights.

(b) Reconciliation of the number of shares outstanding at the beginning and at the end of the year:

(Numbers in Lakhs)

Particulars	Note No.	As At Mar 31, 2025	As At Mar 31, 2024
Equity Shares:			
Number of Shares at the beginning of the year		239.13	239.13
Add: Allotted during the year		155.43	-
Less: Bought back during the year		-	-
Number of Shares at the end of the year		394.56	239.13

(c) Details of Shareholders holding more than 5% shares :

(Rs in Lakhs)

Name of Share holder	Note No.	As At Mar 31, 2025	As At Mar 31, 2024
		No. of Shares - % held	No. of Shares - % held
S. Prasad Reddy		7297641 : 18.5%	7297641 : 33.15%
S. Sharat Reddy		8603300 : 21.8%	1803300 : 8.19%
Kishan Gopal Mohta		2524114-6.40%	-

Name of Share holder	Note No.	As At Mar 31, 2025	As At Mar 31, 2024
		No. of Shares - % held	No. of Shares - % held
b) Other Equity		-	-
Capital Reserve	11.0		
Opening Balance		1,408.32	1,408.32
Add: Additions during the year		-	-
Closing Balance A		1,408.32	1,408.32
Capital Subsidy			
Opening Balance		-	-
Closing Balance B		-	-
Share Premium			
Opening Balance		950.00	950.00
Add: Additions during the year		3,264.06	-
Less: Utilised during the year		3,88.12	-
Closing Balance C		3825.93	950.00
Surplus/(Deficit) in Statement of Profit and Loss		-	-
Opening Balance		3,643.04	3114.83
Add: Profit for the year		994.28	587.99
Add/(Less) : Adjustment on Account of Term Loan Ind As Adjustment		-	-
Less: Interim Dividend		0.00	(59.78)
Closing Balance D		4,637.31	3643.04
Total (A+B+C+D)		9,871.57	6,001.36

2) Non Current Liabilities

(Rs in Lakhs)

Particulars	Note No.	As At Mar 31, 2025	As At Mar 31, 2024
(a) Financial Liabilities	12.00	-	-
(i) Borrowings		-	-
Term Loan from Bank (Secured)		400.73	615.52
Hire Purchase Loans From Banks		5.98	32.74
From Others		172.29	28.05
Total		579.00	676.32
(ii) Other Financial Liabilities		-	-
Other Loans	12.1	304.18	420.65
Advances from Customers		35.00	25.00
MPEDA		56.31	56.31
Deferred Advance from Rental Deposits		-	-
		395.49	501.97
(iii) Trade Payables	12.2	-	-
(b) Provisions	13.0	-	-
Provision for employee benefits			
Post Retirement Benefits		45.48	36.39
Compensated Absences			
		45.48	36.39
(c) Deferred Tax Liability	14.0	-	-
On account of brought forwarded Losses		-	-
Deferred Tax Liability		-	-
On difference between book balance and tax balance of fixed assets		305.42	289.42
Deferred Tax Asset		-	-
On Account of Minimum Alternate Tax		-	-
Net Deferred Tax Asset		305.42	289.42

A. Nature of Security:

1. Term Loan from Axis Bank is secured by the charge of Fixed Assets.
2. Hire Purchase Loans are secured by way of hypothecation / charge of respective vehicles financed.

3. Current Liabilities

(Rs in Lakhs)

Particulars	Note No.	As At Mar 31, 2025	As At Mar 31, 2024
(a) Financial Liabilities			
(i) Borrowings	15.0	-	-
Loans Payable on Demand		-	-
From Banks		10354.76	8,255.44
Current Maturities of Long Term Borrowings		359.21	618.74
		10713.98	8,874.18
(ii) Trade Payables	16.0	-	-
Trade Payables to Micro ,Small and Medium Enterprises		-	-
Trade Payables to Related Parties		-	-
Trade Payables Other than Micro Small and Medium Enterprises		-	-
- For Supplies and Services		1649.53	1,073.35
- For Expenses and Others		0.39	145.59
		1649.92	1,218.93
(iii) Other Financial Liabilities	17.0	-	-
Provision for Gratuity		8.64	7.13
		8.64	7.13
(b) Other Current Liabilities	18.0	-	-
(i) Statutory Remittances		14.67	22.05
(ii) Advances from Customers		-	-
(iii) MPEDA		-	-
		14.67	22.05
(c) Provisions	19.0	-	-
Provision for others		-	-
(a) Provision for Taxes (Net of Advance Tax)		91.51	62.47
(b) Provision for Expenses		462.02	303.66
		553.53	366.12
TOTAL (a+b+c)		12940.73	10,488.41

4) Revenues

(Rs in Lakhs)

Particulars	Note No.	As At Mar 31, 2025	As At Mar 31, 2024
Revenue from Operations:	20.0	-	-
(a) Sale of Products		36469.09	29,048.90
(b) Sale of Services		-	-
(c) Other Operating Revenues		1584.39	1,167.02
		38053.48	30,215.92
Sale of Products:			
Sale of Shrimp - Export		27,787.17	21,080.71
Sale of Feed		2,950.17	4,986.63
Sale of Raw Shrimp		5,015.54	3,072.20
Sale of cultured marine worm		779.07	-
Sale of Shrimp - Interstate		-	-
Total		36,531.95	29,139.54
Less:			
Sales Return		-	-5.15
Turnover Discount		(62.86)	-85.49
Net Turnover		36469.10	29,048.90
Sale of Services:			
Job Work Charges		-	-
		-	-
Other Operating Revenue:			
Export Incentives		1510.84	1,115.95
Sale of Shrimp shell waste/Scrap		36.71	39.61
Miscellaneous Income		36.84	11.46
		1584.39	1,167.02
Other Income :	21.0		
(a) Interest Income			
(i) On Bank Deposits		28.67	20.65
(ii) On Others		13.04	8.94
(b) Net gain on Foreign Currency Transactions		111.37	-1.53
(c) Other Non-Operating Income		22.87	30.71
(d) Profit on sale of vehicle		-	-
		175.95	58.77

(Rs in Lakhs)

Particulars	Note No.	As At Mar 31, 2025	As At Mar 31, 2024
Consumption of Raw Materials and Packing Materials	22.0	-	-
Opening Stock		352.24	616.85
Add: Purchases		29,492.24	24,105.65
		29,844.48	24,722.50
Less: Closing Stock - Raw Material		325.59	352.24
		29,518.88	24,370.26
Changes in Inventory of finished goods:	23.0	-	-
Inventories at the end of the year		-	-
Finished Goods - Feed & Shrimps		7,112.64	6,231.98
		7,112.64	6,231.98
Inventories at the beginning of the year		-	-
Finished Goods - Feed & Shrimps		6,231.98	4,813.23
		6,231.98	4,813.23
Stock Loss		-	-
(a) Finished goods/Stock in trade		-	-
(b) Work-in-progress		-	-
Total Stock loss		-	-
(Increase) / Decrease in stock		(880.66)	(1,418.75)

Particulars	Note No.	As At Mar 31, 2025	As At Mar 31, 2024
Employee Benefits Expense :	24.00	-	-
Salaries, wages and bonus		759.31	692.54
Staff Welfare and contribution to other Funds		72.62	28.14
		831.93	720.69
Finance Costs :	25.0	-	-
Interest Expense on:		1,147.41	938.78
(i) Interest		-	-
(ii) Other Borrowing Costs		-	-
		1,147.41	938.78

(Rs in Lakhs)

Particulars	Note No.	As At Mar 31, 2025	As At Mar 31, 2024
Other Expenses	26.0	-	-
Manufacturing Expenses			
Power & Fuel		736.25	739.86
Repairs & Maintenance		0	-
- Buildings		2.43	4.02
- Plant & Machinery		59.60	65.63
- Electricals		9.93	20.17
Other Manufacturing Expenses		1174.9	1,135.54
(a)		1983.16	1,965.22
Selling Expenses			
Advertisement		5.00	3.91
Ocean freight and export expenses		3014.95	1,620.69
Marketing Expenses		106.74	141.10
Discount Allowed		0.00	4.75
(b)		3126.69	1,770.46
Other expenses			
Audit Fees			
For Statutory Audit		2.50	2.50
For Taxation purpose		1.00	1.00
Return preparation		0.50	0.50
For Other Services			-
Audit Expense			2.64
Bank Charges			32.53
CSR Expenditure	26(a)	14.61	12.10
Bad Debts		37.40	-
Donation		2.16	1.27
Consultancy Fees		122.21	176.01
Communication Expenses		3.64	3.07
General Expenses		142.04	56.28
Fuel Charges		-	-
Insurance		0.00	22.47
Legal, Statutory & Documentation Charges		4.73	4.27
Listing Fee		0.27	3.25
Loss on sale of vehicle		-	-
Inspection Charges		0.00	0.09
Office Maintenance		18.65	15.88

(Rs in Lakhs)

Particulars	Note No.	As At Mar 31, 2025	As At Mar 31, 2024
Printing & Stationery		7.57	8.09
Registration & Renewals		19.73	23.60
Rates & Taxes		102.50	216.11
Security Charges		31.82	30.74
Office Rent		14.76	15.72
Foreign Currency Loss		0	-
Foreign Currency Loss - NL		0.00	5.11
Cold Storage Maintenance		0	-
Revocation Fees to SEBI		0	-
Travelling & Conveyance Expenses		41.48	27.79
Vehicles Maintenance		49.83	31.58
(c)		617.40	692.62
Grand Total (a+b+c)		5727.25	4,428.29

Particulars	Note No.	As At Mar 31, 2025	As At Mar 31, 2024
Earnings per Share	27.00		
Profit / (Loss) After Tax attributable to Equity Shareholders		994.28	587.99
Weighted average number of equity shares		327.55	309.91
Basic & Diluted Earnings per Share		3.04	1.90
Face Value of the Share		10.00	10.00

Corporate Social Responsibility Expenditure

Particulars	Note No.	As At Mar 31, 2025	As At Mar 31, 2024
a. Amount required to be spent by the Company during the Year	26(a)	14.61	12.1
b. Amount of Expenditure Incurred		14.61	12.1
c. Shortfall at the end of the Year		-	-
d. Total of Previous Years Shortfall		-	-
e. Reason for Shortfall:		No Shortfall	No Shortfall
f. Nature of CSR Activities:		Healthcare	Adults with disabilities
g. Details of related Party Transactions		-	-

SHARAT INDUSTRIES LIMITED : NELLORE
Notes forming part of the Consolidated Financial Statements

(I) ASSETS

Note - 3: Fixed Assets Detailed Calculation

(Rs. In Lakhs)

	Ref Asset schedule (a)													Ref (b)
Particulars	Freehold Land	Building	Plant and Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Lab Equipments	Computers	Electrical Fixtures	Pond Construction	Jetty	Tools & Equipments	Total PPE	Capital WIP
Cost or Deemed Cost														
At March 31, 2024	567.79	1431.14	3821.69	57.30	606.91	94.52	17.33	31.55	132.20	406.65	53.48	173.71	7394.71	157.73
Additions	0.00	0.90	73.50	5.96	95.81	2.28	0.00	2.47	23.71	0.00	0.00	2.19	206.82	31.35
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	0.94
Exchange Differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2025	567.79	1432.04	3895.18	63.26	702.72	96.79	17.33	34.02	155.91	406.65	53.48	175.90	7601.53	188.14
Depreciation and Impairment														
At March 31, 2024	0.00	502.80	1383.00	38.86	386.94	52.93	10.25	22.84	90.31	172.69	28.69	82.10	2771.41	-
Depreciation charge for the year	0.00	61.46	291.29	6.11	54.45	12.73	1.65	2.80	12.67	21.59	3.59	13.49	481.81	-
Impairment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exchange differences	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2025	0.00	564.26	1674.28	44.97	441.38	65.66	11.89	25.64	102.98	194.28	32.28	95.59	3253.22	-
Carrying Amount														
As at March 31, 2025	567.79	867.78	2220.90	18.29	261.34	31.13	5.44	8.38	52.93	212.37	21.20	80.31	4348.30	188.14
As at March 31, 2024	567.79	928.33	2438.69	18.44	219.98	41.58	7.08	8.71	41.89	233.96	24.79	91.61	4623.29	157.73

Notes to the Consolidated Financial Statements for the year ended March 31, 2025

Corporate Information

Sharat Industries Limited ("the Company") is a listed public Company incorporated in the year 1990 in India under the Companies Act, 1956. The Company is in the business of Shrimp Aquaculture and manufacturer and sale of shrimp feeds.

1 Basis of Preparation of Consolidated Financial Statements

Statement of Compliance with Ind AS

These Consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

Basis of preparation and measurement

The Consolidated financial statements have been prepared on the historical cost basis, except for certain financial assets and liabilities which are measured at fair values at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an Orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable

2 Significant Accounting Policies

2.1 Property, Plant and Equipment (PPE)

On adoption of Ind AS, the Company retained the carrying value for all of its property, plant and equipment as recognized in the Consolidated financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and used that as its deemed cost as permitted by Ind AS 101 'First-time Adoption of Indian Accounting Standards'.

Property, plant and equipment are initially recognized at cost. The initial cost of property, plant and equipment comprises its purchase price, including non-refundable duties and taxes net of any trade discounts and rebates. The cost of property, plant and equipment includes interest on borrowings (borrowing cost) directly attributable to acquisition, construction or production of qualifying assets subsequent to initial recognition. Property, plant and equipment are stated at cost less accumulated depreciation (other than freehold land, which are stated at cost) and Impairment losses, if any.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value Depreciation on tangible assets is calculated on a straight-line basis as per the useful life prescribed and in the manner laid down under Schedule II to the Companies Act, 2013. The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognized in profit or loss. Fully depreciated assets still in use are retained in the Consolidated financial statements.

2.1. Intangible assets

Intangible assets that are acquired are recognized at cost initially and carried at cost less accumulated amortization and accumulated impairment loss, if any. All intangible assets are tested for impairment. Amortization expenses and impairment losses and reversal of impairment losses are taken to the Statement of Profit and Loss.

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses on derecognition are determined by comparing proceeds with carrying amount. These are included in profit or loss.

(i) Computer software

Computer software are stated at cost, less accumulated amortization and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

(ii) Amortization methods and periods

Intangible assets with finite useful live are amortized over their respective individual estimated useful lives on a straight-line basis.

2.3 Capital work-in-progress and intangible assets under development

Capital work-in-progress/intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

2.4 Non-derivative Financial Instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs

directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in profit or loss.

Financial liabilities

Financial liabilities are measured at amortized cost using the effective interest method.

Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments recognized by the Company are measured at the proceeds received net off direct issue cost.

Offsetting of financial instruments

Financial assets and financial liabilities are off set and the net amount is reported in financial statements if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

2.5 Impairment

Financial assets (other than at fair value)

Financial assets (other than at fair value) The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortized cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

PPE and intangible assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e., higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the Statement of Profit and Loss.

2.6 Inventories

Inventories are valued at lower of cost (on weighted average basis) and net realizable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to their present location and condition, including all taxes and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Biological assets of the Company comprise of live stocks of shrimps' breeders and different phases of shrimp that are classified as current biological assets. The Company recognizes biological assets when, and only when, the Company controls the assets as a result of past events, it is probable that future economic benefits associated with such assets will flow to the Company and the fair value or cost of the assets can be measured reliably. Expenditure incurred on biological assets are measured on initial recognition and at the end of each reporting period at its fair value less costs to sell. The gain or loss arising from a change in fair value less costs to sell of biological assets are included in Statement of Profit and Loss for the period in which it arises.

2.7 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Sale of goods

Revenue from sale of shrimps is recognized when all the significant risks and rewards of ownership have been passed to the buyer- normally when the shipment is loaded which is in accordance with industry practice and entitlement of export subsidies are based on shipment of goods. Shipments that have been dispatched but have not been delivered at the end of the financial reporting period have been recognized as "Revenue on Shipments in Transit".

Export benefits are accounted on recognition of export sales.

Revenue from the sale of Feeds is recognized when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company; and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Income recognition for services takes place as and when the services are performed.

Interest Income

Interest income from financial assets is recognized when it is probable that economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

2.8 Research and Development expenses

Research expenditure is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalized. Tangible assets used in research and development are capitalized.

2.9 Leases

Leases are classified as finance leases whenever the terms of lease transfer substantially all the risks and rewards of ownership to the lessee. Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

(i) Operating Lease:

Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of the time pattern in which economic benefits from leased assets are consumed. The aggregate benefit of incentives (excluding inflationary increases where rentals are structured solely to increase in line with the expected general inflation to compensate for the lessor's inflationary cost increases, such increases are recognized in the year in which the benefits accrue) provided by the lessor is recognized as a reduction of rental expense over the lease term on a straight-line basis.

(ii) Finance Lease:

Assets held under finance leases are initially recognized as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability.

Finance expenses are recognized immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognized as expenses in the periods in which they are incurred.

2.10 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Company is committed to a sale plan involving disposal of an investment, the investment that will be disposed of is classified as held for sale when the criteria described above are met.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

2.11 Employee benefit expenses

Employee benefits consist of contribution to provident fund, superannuation fund, gratuity fund and compensated absences.

(i) Post-employment benefit plans

Defined Contribution plans

Payments to defined contribution retirement benefit scheme for eligible employees in the form of superannuation fund are charged as an expense as they fall due. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made.

The Company also makes contribution towards provident fund, in substance a defined contribution retirement benefit plan for qualifying employees. The provident fund is deposited with the Provident Fund Commissioner which is recognized by the Income Tax authorities.

Defined benefit plans

The Company operates various defined benefit plan such as gratuity fund.

The liability or asset recognized in the balance sheet in respect of its defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the said obligation is determined by discounting the estimated future cash outflows, using market yields of government bonds that have tenure approximating the tenures of the related liability.

The interest income / (expense) are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest income / (expense) on the net defined benefit liability or as set is recognized in the Statement of Profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

(ii) Short term employee benefit

Compensated absences which accrue to employees and which can be carried to future periods but are expected to be encashed or availed in twelve months immediately following the year end are reported as expenses during the year in which the employees perform the services that the benefit covers and the liabilities are reported at the undiscounted amount of the benefits after deducting amounts already paid. Where there are restrictions on availment of encashment of such accrued benefit or where the availment or encashment is otherwise not expected to wholly occur in the next twelve months, the liability on account of the benefit is actuarially determined using the projected unit credit method.

2.12 Foreign currency translation

The functional currency of the Company is Indian rupee

On initial recognition, all foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the date of the transaction. As at the reporting date, foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and the exchange gains or losses are recognized in the Statement of Profit and Loss.

2.13 Borrowing cost

Borrowing costs are interest and ancillary costs incurred in connection with the arrangement of borrowings. General and specific borrowing costs attributable to acquisition and construction of any qualifying asset (one that takes a substantial period of time to get ready for its designated use or sale) are capitalized until such time as the assets are substantially ready for their intended use or sale, and included as part of the cost of that asset. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All the other borrowing costs are recognized in the Statement of Profit and Loss within Finance costs of the period in which they are incurred.

2.14 Income tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year.

Current and deferred taxes are recognized in Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

Current tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Current tax assets and current tax liabilities are off set when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax

Deferred income tax is recognized using the Balance Sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax assets are recognized only to the extent that it is probable that either future taxable profits or reversal of deferred tax liabilities will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of a deferred tax asset shall be reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

Deferred tax assets and liabilities are off set when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

2.15 Accounting of provisions, contingent liabilities and contingent assets

Provisions are recognized, when there is a present legal or constructive obligation as a result of past events, where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. Where the effect is material, the provision is discounted to net present value using an appropriate current market-based pre-tax discount rate and the unwinding of the discount is included in finance costs.

Contingent liabilities are recognized only when there is a possible obligation arising from past events, due to occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Company, or where any present obligation cannot be measured in terms of future outflow of resources, or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets are not disclosed in the Consolidated financial statements unless an inflow of economic benefits is probable.

2.16 Earnings per share (EPS)

Basic EPS is computed by dividing the profit or loss attributable to the equity shareholders of the Company by the weighted average number of Ordinary shares outstanding during the year. Diluted EPS is computed by adjusting the profit or loss attributable to the ordinary equity shareholders and the weighted average number of ordinary equity shares, for the effects of all dilutive potential Ordinary shares.

27 Significant accounting judgements, estimates and assumptions

The preparation of the Company's Consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognized in the Consolidated financial statements:

Recognition of deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry- forwards can be utilized. In addition, significant judgment is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the Consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Impairment of non- financial assets

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Inventories

Management estimates the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices.

Defined Benefit Obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as attrition rate, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses (as analyzed in Note 28).

Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain assets.

Fair value measurement of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for the asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non- financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and time between the acquisition of assets for processing and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current or noncurrent classification of assets and liabilities.

28 Group Structure - Related Party Relationship

Sl. No	Name of the Related Party	Relationship
1	S. Prasad Reddy	Key Managerial Person (Managing Director)
2	S. Sharat Reddy	Key Managerial Person (Executive Director)
3	S. Devaki Reddy	Relative of Key Managerial Person (Wife of S. Prasad Reddy, Managing Director)
4	Balasubramanian R	Key Managerial Person - Chief Financial Officer
5	N.Ganesan	Key Managerial Person (Company Secretary)
6	Katyayini Aquatech Pvt Ltd	S. Devaki Reddy – One of the Directors in the Company
7	SP Enterprises	S. Prasad Reddy – Managing Partner of the firm S. Sharat Reddy – One of the Partners of the firm
8	United Aquatech Pvt Ltd	Associate Company

Related Party Transactions - Other than KMP

(Rs.in Lakhs)

Particulars	Name of the company	For the year ended March 31, 2025	For the year ended March 31, 2024
Purchase of shrimp	Katyayini Aquatech P Ltd	2434.03	1810.03
	SP Enterprises	2058.85	1209.92
	United Aquatech Pvt Ltd	0.00	163.39
Sale of Shrimp / Feed	Katyayini Aquatech P Ltd	2092.57	1691.07
	SP Enterprises	1839.83	652.08
	United Aquatech Pvt Ltd	0.00	35.51

Transactions with key management personnel:

(Rs.In Lakhs)

Key management Personnel	Particulars of payment	For the year ended March 31, 2025	For the year ended March 31, 2024
S. Prasad Reddy	Remuneration	72.00	72.00
S. Sharat Reddy	Remuneration	60.00	60.00
S. Devaki Reddy	Rent	9.17	8.82
R. Balasubramanian	Salary	13.20	0.0
N.Ganesan	Salary	3.00	0.0

29 Gratuity and other post-employment benefit plan

(Rs.In Lakhs)

Sl. No.	Particulars	As At March 31, 2025	As At March 31, 2024
	Defined Benefit Plan		
a)	Defined benefit obligation at the beginning of the year	43.52	38.93
b)	Current Service Cost	7.79	5.25
	Interest Cost	3.12	2.84
	Actuarial (Gain)/loss	2.28	-0.96
	Benefits Paid	(2.59)	(2.54)
	Defined benefit obligation at the end of the year	54.12	43.52
	Expense recognized during the year	-	-
	Current Service Cost	7.79	5.25
	Interest Cost	3.12	2.84
	Actuarial Assumptions	-	-
	Discount Rate (per Annum)	6.55%	7.18%
	Rate Escalation in salary (per Annum)	10.00%	10.00%

Sensitivity Analysis (Gratuity)

(Rs. In lakhs)

Sl. No.	Particulars	Amount	Impact (Absolute)	%	Amount	Impact (Absolute)	%
a)	Discount Rate (-0.50/+0.50%)	54.80	0.68	1.25%	53.46	(0.66)	(1.22%)
b)	Salary Inflation (-1/+1 %)	52.85	(1.27)	(2.34%)	55.44	1.32	2.44%
c)	Withdrawal rate (-5/+5 %)	56.34	2.22	4.11%	52.32	(1.80)	(3.33%)

Maturity Profile of Defined Benefit Obligation (Gratuity)

(Rs. In lakhs)

Particulars	31-Mar-2025	31-Mar-2024
Year 1	12.53	10.93
Year 2	11.55	8.52
Year 3	9.25	7.69
Year 4	10.3	6.13
Year 5	5.4	6.56
After 5 th Year	16.09	13.63
Total	65.11	53.46

30 Commitments and contingencies

Contingent Liabilities

The Company is involved in a number of judicial, appellate and arbitration proceedings (including those described below) concerning matters arising in the course of conduct of the Company's businesses. A summary of claims asserted on the Company in respect of these cases have been summarized below.

Tax contingencies

Amounts in respect of claims asserted by various revenue authorities on the Company, in respect of taxes, which are in dispute, have been tabulated below:

Nature of Tax	As at March 31, 2025 (Rs. in lakhs)	As at March 31, 2024 (Rs. in lakhs)
Customs & Excise Duty	76.31	76.31
Service Tax	31.50	31.50

The management believes that the claims made are untenable and is contesting them. As of the reporting date, the management is unable to determine the ultimate outcome of above matters. However, in the event the revenue authorities succeed with enforcement of their assessments, the Company may be required to pay some or all of the asserted claims and the consequential interest and penalties, which would reduce net income and could have a material adverse effect on net income in the respective reported period.

Contingencies related to guarantees.

Name of bank	As at March 31, 2025 [#] (Rs. in lakhs)	As at March 31, 2024 (Rs. in lakhs)
Financial guarantees given to Companies	1000.00	1300.00

[#]Contingent liability as on 31st March 2025 was closed w.e.f 23rd April 2025

Guarantee creates a possible obligation on the company. The management believes that the likelihood of an actual outflow of resources due to these guarantees are remote and the potential liability is not expected to materialize.

Amount in respect of other claims

Bank Guarantees issued on behalf of the company

Name of bank	As at March 31, 2025 (Rs. in lakhs)	As at March 31, 2024 (Rs. in lakhs)
Federal bank	15.2	15.2
Axis Bank	153.94	150.81
Total	169.14	166.01

However, in respect of the above matters, management does not believe, based on currently available information, that the outcomes of the litigation, will have a material adverse effect on the Company's

financial condition, though the outcomes could be material to the Company's operating results for any particular period, depending, in part, upon the operating results for such period.

31 Operating Segment Reporting

The Company's only Business is Integrated Aqua Culture and related activities and hence there is no separate reportable segment as per Indian Accounting Standard (IND AS-108) on "Operating Segment" prescribed in Companies (Indian Accounting Standards) Rules, 2015.

32 Financial risk management objectives and policies

The Company's principal financial liabilities comprise of loans and borrowings, trade and other payables, and other current liabilities. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company has loans and receivables, trade and other receivables, and cash and short-term deposits that arise directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk.

The Company's senior management oversees the management of these risks. The Company's senior management advises on financial risks and the appropriate financial risk governance framework.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below:

Market risk

Market risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: interest rate risk, currency risk and other price risk, such as equity risk. Financial instruments affected by market risk include loans and borrowings, deposits, available-for-sale investments.

The sensitivity analyses in the following sections relate to the position as at March 31, 2025 and March 31, 2024

The following assumptions have been made in calculating the sensitivity analyses:

The sensitivity of the statement of comprehensive income is the effect of the assumed changes in interest rates on the net interest income for one year, based on the average rate of borrowings held during the year ended March 31, 2025, all other variables being held constant. These changes are reasonably possible based on observation of current market conditions.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the long-term debt obligations with average interest rates.

The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant. If interest rates increase or decrease by 100 basis points with all other variables being constant, the Company's profit after tax for the year ended March 31, 2025 would decrease or increase by Rs. Nil. (March 31, 2024 : Rs. Nil).

Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate.

The Company's exposure to foreign currency arises where a Company holds monetary assets and liabilities denominated in a currency different to the functional currency of that entity:

Currency	As at March 31, 2025		Currency	As at March 31, 2024	
	Financial assets	Financial liabilities		Financial assets	Financial liabilities
USD	1,00,6,815.29	5,04,108.70	USD	14,28,088.00	7,22,413.00

Set out below is the impact of a 10% change in the US dollar on profit arising as a result of the revaluation of the Company's foreign currency financial instruments:

Currency	As at March 31, 2025		Currency	As at March 31, 2024	
	Closing rate	Effect of 10% strengthening of USD on net earnings		Closing rate	Effect of 10% strengthening of USD on net earnings
USD	85.84	502706.59	USD	83.41	70,567.50

The impact on total equity is the same as the impact on net earnings as disclosed above.

Credit risk

Credit risk is the risk that a counter party fails to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments, for example trade receivables, deposits, loans etc. the Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognized at March 31, as summarized below:

(Rs.In Lakhs)

Classes of Financial Assets	As at March 31, 2025	As at March 31, 2024
Investments	-	-
Trade Receivable	10139.30	6,082.16
Cash and bank balances	2126.60	129.29
Bank Balances other than above bank balances	464.70	375.50
Other Financial assets	-	-
Total	12730.60	6586.95

The Company continuously monitors defaults of customers and other counterparties, identified either individually or by the Company, and incorporate this information into its credit risk controls. The Company's policy is to transact only with counterparties who are highly creditworthy which are assessed based on internal due diligence parameters.

In respect of trade receivables, the Company is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various geographical areas. Based on historical information about customer default rates management consider the credit quality of trade receivables that are not past due or impaired to be good.

The credit risk for cash and cash equivalents, fixed deposits and mutual funds are considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Other financial assets mainly comprise of tender deposits and security deposits which are given to customers or other governmental agencies in relation to contracts executed and are assessed by the Company for credit risk on a continuous basis.

Liquidity risk

The following is an analysis of the Company's contractual undiscounted cash flows payable under financial liabilities as at March 31, 2025 and March 31, 2024.

(Rs. In.Lakhs)

As at 31 st March 2025	Current	Non current		Total
	Within 12 Months	1-5 years	More than 5 years	
Borrowings	10,713.98	579.00	-	11,292.98
Trade Payables	1,649.92	-	-	1,649.92
Other Financial Liabilities	8.64	35.01	360.49	404.13
Total	12,372.53	614.01	360.49	13,347.02

As at 31 st March 2024	Current	Non current		Total
	Within 12 Months	1-5 years	More than 5 years	
Borrowings	8,874.18	676.32	-	9,550.50
Trade Payables	1,218.93	-	-	1,218.93
Other Financial Liabilities	7.13	81.32	420.65	509.10
Total	10,100.24	757.64	420.65	11,278.53

Trade Receivables-Billed-Current

(Rs. In lakhs)

Particulars	As At 31 st March 2025	As At 31 st March 2024
Trade Receivables-Billed	9768.50	5673.96
Less: Allowance for Doubtful trade receivables – Billed	(59.61)	(22.21)
Considered Good	9708.90	5651.76

Ageing for Trade Receivables – Current Outstanding as at 31st March 2025

(Rs. in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6month – 1Year	1-2 Years	2-3 Years	More Than 3 Years	
Trade Receivables – Billed							
Undisputed trade receivables-considered good	5367.81	2249.00	2092.09	-	-	-	9708.90
Undisputed trade receivables – Which have significant increase in Credit risk	-	-	-	-	-	-	-
Undisputed trade receivables-credit impaired	-	-	-	-	-	-	-
Disputed trade receivables-considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
Total	5367.81	2249.00	2092.09	-	-	-	9708.90

Ageing for Trade Receivables – Current Outstanding as at 31st March 2024

(Rs. in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6month – 1Year	1-2 Years	2-3 Years	More Than 3 Years	
Trade Receivables – Billed							
Undisputed trade receivables- considered good	3025.23	1952.57	673.96	-	-	-	5,651.76
Undisputed trade receivables – Which have significant increase in Credit risk	-	-	-	-	-	-	-
Undisputed trade receivables- credit impaired	-	-	-	-	-	-	-
Disputed trade receivables- considered good	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
Total	3025.23	1952.57	673.96	-	-	-	5651.76

Trade Receivables-Billed-Non-Current

(Rs. in Lakhs)

Particulars	As At 31 st March 2025	As At 31 st March 2024
Trade Receivables-Billed	430.41	430.41
Less: Allowance for Doubtful trade receivables – Billed	-	-
Considered Good	430.41	430.41

Ageing for Trade Receivables – Non-Current Outstanding as at 31st March 2025

(Rs. in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6month – 1Year	1-2 Years	2-3 Years	More Than 3 Years	
Trade Receivables – Billed							
Undisputed trade receivables- considered good	-	-	-	-	-	-	-
Undisputed trade receivables – Which have significant increase in Credit risk	-	-	-	-	-	-	-
Undisputed trade receivables- credit impaired	-	-	-	-	-	-	-
Disputed trade receivables- considered good	-	-	-			430.41	430.41
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
Total	-	-	-	-		430.41	430.41

Ageing for Trade Receivables – Non-Current Outstanding as at 31st March 2024

(Rs. in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6month – 1Year	1-2 Years	2-3 Years	More Than 3 Years	
Trade Receivables – Billed							
Undisputed trade receivables- considered good	-	-	-	-	-	-	-
Undisputed trade receivables – Which have significant increase in Credit risk	-	-	-	-	-	-	-
Undisputed trade receivables- credit impaired	-	-	-	-	-	-	-
Disputed trade receivables- considered good	-	-	-		143.73	286.68	430.41
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-
Total	-	-	-	-	143.73	286.68	430.41

Trade Payables**Ageing for Trade Payables – Current Outstanding as at 31st March 2025**

(Rs. in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	
Trade Payables MSME*	564.96	-	-	-	-	564.96
Others	1084.96	-	-	-	-	1084.96
Disputed Dues – MSME*	-	-	-	-	-	-
Disputed Dues – Others	-	-	-	-	-	-
Total	1649.92	-	-	-	-	1649.92

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006

Ageing for Trade Payables – Current Outstanding as at 31st March 2024

(Rs. in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	
Trade Payables MSME*	-	-	-	-	-	-
Others	1218.93	-	-	-	-	1218.93
Disputed Dues – MSME*	-	-	-	-	-	-
Disputed Dues – Others	-	-	-	-	-	-
Total	1218.93	-	-	-	-	1218.93

Trade Payables**Ageing for Trade Payables – Non-Current Outstanding as at 31st March 2025**

(Rs. in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	
Trade Payables MSME*	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed Dues – MSME*	-	-	-	-	-	-
Disputed Dues – Others	-	-	-	-	-	-
Total	-	-	-	-	-	-

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006

Ageing for Trade Payables – Non-Current Outstanding as at 31st March 2024

(Rs. in Lakhs)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	
Trade Payables MSME*	-	-	-	-	-	-
Others	-	-	-	-	-	-
Disputed Dues – MSME*	-	-	-	-	-	-
Disputed Dues – Others	-	-	-	-	-	-
Total	-	-	-	-	-	-

Financial Ratios

Ratio	2024-2025	2023-24
Current Ratio	1.76	1.42
Debt-Equity Ratio	1.35	1.66
Debt Service Coverage Ratio	1.90	1.58
Return on Equity Ratio	7.3%	7.0%
Inventory Turnover Ratio	4.04	3.77
Trade Receivables Turnover Ratio	4.69	4.99

Ratio	2024-2025	2023-24
Trade Payables Turnover Ratio	20.58	16.96
Net Capital Turnover Ratio	3.89	6.83
Net Profit Ratio	2.6%	1.9%
Return on Capital Employed	17%	17.8%

Disclosure of Shareholding Promoters

Disclosure of shareholding of promoters as at 31st March 2025 is as follows

Promoter Name	Shares held by promoters				% Changing During the Year
	As at 31 st March 2025		As at 31 st March 2024		
	No. of Shares	% of total Shares	No. of Shares	% of total Shares	
Prasad Reddy Sabbella	72,97,641	18.50%	72,97,641	30.52%	-12.0%
S. Sharat Reddy	86,03,300	21.81%	18,03,300	7.54%	14.3%
Devaki Reddy Sabbella	12,65,500	3.21%	1,85,500	0.77%	2.4%
S. Charita Reddy Sabbella	28,000	0.07%	28,000	0.12%	-0.1%
Total	1,71,94,441	43.58%	93,14,441	38.95%	4.6%

Disclosure of shareholding of promoters as at 31st March 2024 is as follows:

Promoter Name	Shares held by promoters				% Changing During the Year
	As at 31 st March 2024		As at 31 st March 2023		
	No. of Shares	% of total Shares	No. of Shares	% of total Shares	
Prasad Reddy Sabbella	72,97,641	30.52%	72,97,641	30.52%	0.0%
S. Sharat Reddy	18,03,300	7.54%	18,03,300	7.54%	0.0%
Devaki Reddy Sabbella	1,85,500	0.77%	1,85,500	0.77%	0.0%
S. Charita Reddy Sabbella	28,000	0.12%	28,000	0.12%	0.0%
Total	93,14,441	38.95%	93,14,441	38.95%	0.0%

A) Capital work-in-progress

Ageing for capital work-in-progress as at March 31, 2025 is as follows

(Rs. in lakhs)

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1 – 2 Years	2-3 Years	More than 3 Years	
Capital Work in Progress	30.41	157.73	-	-	188.14
Total	30.41	157.73	-	-	188.14

Ageing for capital work-in-progress as at March 31, 2024 is as follows:

(Rs. in lakhs)

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1 – 2 Years	2-3 Years	More than 3 Years	
Capital Work in Progress	32.01	95.09	-	-	127.10
CWIP - Condenser	-	-	-	-	-
CWIP – Intangible Assets	15.63	15.00	-	-	30.63
Total	47.64	110.09	-	-	157.73

33 Capital Management

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth and maximize the shareholders' value. The Company's overall strategy remains unchanged from previous year. The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments. The funding requirements are met through a mixture of equity, internal fund generation and borrowed funds. The Company's policy is to use short term and long-term borrowings to meet anticipated funding requirements. The Company monitors capital on the basis of the net debt to equity ratio. The Company is not subject to any externally imposed capital requirements. Net debt is long term and short-term debts as reduced by cash and cash equivalents (including restricted cash and cash equivalents) and short-term investments. Equity comprises share capital and free reserves (total reserves excluding capital reserve). The following table summarizes the capital of the Company:

(Rs. in Lakhs)

Particulars	March 31, 2025	March 31, 2024
Share Capital	3804.77	2391.25
Free Reserves (Excluding Capital Reserve)	4637.31	3647.94
Equity (A)	8442.08	6039.19
Short term borrowings	10354.76	8255.44
Long Term Borrowings	974.49	1178.29
Current Maturities of Long-term borrowings	359.21	618.74
Debt (B)	11688.47	10052.47
Cash and Cash Equivalents	2126.60	129.29
Short Term Investments	-	-
Total Cash (C)	2126.60	129.29
Net Debt (B-C) =D	9561.87	9923.18
Net Debt to Equity Ratio (D/A) =E	1.13	1.64

Loans availed from banks/financial institutions against current assets:

The quarterly returns or statements filed by the Company for working capital limits with such banks and financial institutions are in agreement with the books of account of the Company

34 Previous year figures

Previous year's figures have been restated, rearranged and regrouped, wherever necessary to enable comparability of the current year's position of accounts with that of the relative previous year's position.

35 Approval of Consolidated Financial Statements

The Consolidated financial statements were approved for issue by the Board of Directors on 29th May 2025.



**Additional information, as required under Schedule III to the Companies Act, 2013,
of enterprises consolidates as Subsidiary/Associates**

Part A: Associates

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies

(Rs. In Lakhs, except number of shares)

Name of Associates	United Aquatech Pvt Ltd
1. Latest audited Balance Sheet Date	31-Mar-2025
2. Shares of associates held by the company on the year end	
Number of shares	49000
Amount of investment in Associates	4.90
Extent of holding %	49%
3. Description of how there is significant influence	Significant influence in the financial and operating policy decisions of the entity
4. Reason why the associate/ joint venture is not consolidated	Not Applicable
5. Net worth attributable to Shareholding as per latest Audited Balance Sheet	(11.15)
6. Profit/ (Loss) for the year	
i. Considered in Consolidation	
ii. Not Considered in Consolidation	(2.1)

For and on behalf of the Board of Directors

For A.R. Krishnan & Associates

Chartered Accountants

F.R. No. 009805S

B. Anandaramakrishnan

Partner

M.No. 209122

S. Prasad Reddy

Managing Director

DIN : 00069094

S. Sharat Reddy

Executive Director

DIN: 02929724

Place: Nellore

Date: 29-05-2025

Balasubramanian R

Chief Financial Officer

Ganesan N

Company Secretary

NOTICE TO THE MEMBERS

NOTICE is hereby given that 35th (Thirty-Fifth) Annual General Meeting (AGM) of the Members of the **SHARAT INDUSTRIES LIMITED ("the Company")** will be held on **SATURDAY, 27TH SEPTEMBER, AT 11:00 A.M (IST)** through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") to transact the following businesses;

ORDINARY BUSINESSES:

- 1. Adoption of the Audited Standalone and Consolidated financial statements of the Company for the financial year ended 31st March 2025, together with the reports of the Board of Directors and Auditors thereon.**

*To consider passing the following resolution as an **Ordinary Resolution**:*

"RESOLVED THAT the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended 31st March 2025 together with reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

- 2. To Declare a Final Dividend of ₹ 0.25/- per Equity Share for the Financial Year ended 31st March 2025.**

*To consider passing the following resolution as an **Ordinary Resolution**:*

RESERVED THAT a final dividend of ₹ 0.25/- per equity Share of Rs. 10.00/- each be declared for the financial year ended 31st March 2025, and that the same be paid out of the profits of the Company to those shareholders whose names appear in the Register of Members as on Friday, 19th September 2025 being the record date fixed for this purpose."

- 3. To appoint a Director in place of Mr. Shanmugam P (DIN: 08877587), who retires by rotation and being eligible, offers himself for re-appointment.**

*To consider passing the following resolution as an **Ordinary Resolution**:*

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Shanmugam P (DIN:08877587) who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company."

SPECIAL BUSINESSES:

- 4. Re-appointment of Mr. Harihar Venkata Muthyam (DIN: 08160011) as an Independent Director for a Second Term of five (5) consecutive years.**

*To consider passing the following resolution as a **Special Resolution**:*

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Regulations 17, 25 and other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors consent of the shareholders be and is hereby accorded for re-appointment

of Mr. Harihar Venkata Muthyam (DIN: 08160011), who holds office of Independent Director up to 27th September 2025 and who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years from 28th September 2025 to 27th September 2030.

RESOLVED FURTHER THAT any one of the Directors of the Company or Company Secretary be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and sign and execute all applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution”.

5. Re-Appointment of Mr. Prasad Reddy Sabbella (DIN:00069094) as Managing Director for a period of five years from 01st April 2026 to 31st March 2031.

*To consider passing the following resolution as a **Special Resolution**;*

RESOLVED THAT, in terms of Sections 196, 197, 203, Schedule V and other applicable provisions of the Companies Act, 2013, the Rules made thereunder, Regulation 17 and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, pursuant to the recommendation of Nomination and Remuneration Committee and Board of Directors at their respective meetings held on 02nd September 2025 consent of the shareholders be and is hereby accorded for re-appointment of Mr. Prasad Reddy Sabbella (DIN:00069094) as Managing Director for a period of five years from 01st April 2026 to 31st March 2031 on the terms of remuneration for three years period (from 01st April 2026 to 31st March 2029) as given below:

S.No	Particulars	Details
1.	Salary (Excluding allowance and Perquisites)	₹ 6,00,000 (Rupees Six Lakhs Only) per month as may be approved and/ or revised from time to time by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee.
2	Medical Benefits	Suitable Mediclaim Policy for hospitalization for himself and family. Reimbursement of all actual medical expenses for himself and family to the extent not reimbursed under Mediclaim Policy.
3	Telephone	(i) Mobile phone for official/ personal use; and (ii) Telephone and other communication facilities at his residence.
4	Automobile	He shall be entitled for a Car fully maintained by the Company with driver for Company's purpose.
5	Reimbursement of Expense	He shall be entitled to the reimbursement of all actual expenses or charges, including travel, entertainment and other out of pocket expenses incurred by him for and on behalf of the Company, in furtherance of its business and objects.

S.No	Particulars	Details
6	Sitting Fees	He will not be entitled to any sitting fees for attending the meetings of the Board or of any Committees thereof.
7	Other Perquisites not covered point no 1 to 6.	other perquisites in accordance with the Rules of the Company or as may be decided by the Nomination & Remuneration Committee of the Company.

RESOLVED FURTHER THAT consent of the members be and is hereby accorded for terms of remuneration payable to Mr. Prasad Reddy Sabbella, as may be fixed by the Board from time to time on recommendation of the Nomination and Remuneration Committee, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year such that the remuneration payable to him as set out herein above from 01st April 2026 to 31st March 2029 for a period of 3 (three) years, on the terms and conditions, as set out in the Explanatory Statement, with liberty to the Directors / Nomination and Remuneration Committee and Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed between the Directors and Mr. Prasad Reddy Sabbella such variation or increase in the aforesaid remuneration may be beyond the permissible limits as under the relevant provisions of Section 196, 197 and Schedule V of the Companies Act, 2013 in case of inadequacy or absence of profits, calculated in accordance with the applicable provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT pursuant to section 196(3) read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the shareholders of the Company be and is hereby accorded for continuation of holding of office by Mr. Prasad Reddy Sabbella, bearing (DIN: 00069094) as the Managing Director of the Company upon attaining the age of 70 (Seventy) years on 26th June 2026, on the existing terms and conditions as duly approved in the 35th Annual General Meeting through special resolution which shall continue to remain in full force and effect post attainment of age of 70 (Seventy years) within the tenure of 5 (Five) years of his re-appointment i.e. Effective from 01st April 2026 to 31st March 2031.

RESOLVED FURTHER THAT any one of the Directors of the Company or Company Secretary be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and sign and execute all applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution”.

6. Re-Appointment of Mr. Sharat Reddy Sabbella (DIN:02929724) as Whole-Time Director for a period of five years from 01st April 2026 to 31st March 2031.

*To consider passing the following resolution as a **Special Resolution**;*

RESOLVED THAT, in terms of Sections 196, 197, 203, Schedule V and other applicable provisions of the Companies Act, 2013, the Rules made thereunder, Regulation 17 and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, pursuant to the recommendation of Nomination and Remuneration Committee and Board of Directors at their respective meetings held on 02nd September 2025 consent of the shareholders be and

his hereby accorded for re-appointment of Mr. Sharat Reddy Sabbella (DIN:02929724) as Whole-Time Director for a period of five years from 01st April 2026 to 31st March 2031 on the terms of remuneration for three years period (from 01st April 2026 to 31st March 2029) as given below;

S.No	Particulars	Details
1.	Salary (Excluding allowance and Perquisites)	₹ 6,00,000 (Rupees Six Lakhs) to ₹ 10,00,000 (Rupees Ten Lakhs) per month as may be approved and/ or revised from time to time by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee.
2	Medical Benefits	Suitable Medclaim Policy for hospitalization for himself and family. Reimbursement of all actual medical expenses for himself and family to the extent not reimbursed under Medclaim Policy.
3	Telephone	(i) Mobile phone for official/ personal use; and (ii) Telephone and other communication facilities at his residence.
4	Automobile	He shall be entitled for a Car fully maintained by the Company with driver for Company's purpose
5	Reimbursement of Expense	He shall be entitled to the reimbursement of all actual expenses or charges, including travel, entertainment and other out of pocket expenses incurred by him for and on behalf of the Company, in furtherance of its business and objects.
6	Sitting Fees	He will not be entitled to any sitting fees for attending the meetings of the Board or of any Committees thereof.
7	Other Perquisites not covered point no 1 to 6.	other perquisites in accordance with the Rules of the Company or as may be decided by the Nomination & Remuneration Committee of the Company.

RESOLVED FURTHER THAT consent of the members be and is hereby accorded for terms of remuneration payable to Mr. Sharat Reddy Sabbella, as may be fixed by the Board from time to time on recommendation of the Nomination and Remuneration Committee, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year such that the remuneration payable to him as set out herein above from 01st April 2026 to 31st March 2029 for a period of 3 (three) years, on the terms and conditions, as set out in the Explanatory Statement, with liberty to the Directors / Nomination and Remuneration Committee and Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed between the Directors and Mr. Sharat Reddy Sabbella such variation or increase in the aforesaid remuneration may be beyond the permissible limits as under the relevant provisions of Section 196, 197 and Schedule V of the Companies Act, 2013 in case of inadequacy or absence of profits, calculated in accordance with the applicable provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT any one of the Directors of the Company or Company Secretary be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and sign and execute all applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution”.

7. Increase in Authorized Share Capital of the Company and alteration to capital clause of the Memorandum of Association of the Company;

*To consider passing the following resolution as an **Ordinary Resolution***

“RESOLVED THAT pursuant to the provisions of Section 13, 61(1) (a), 64 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification (s) or re-enactment thereof, for the time being in force) and the relevant rules framed there under and in accordance with the applicable provisions of the Articles of Association of the Company the consent of members of the Company be and is hereby accorded to increase the Authorized Share Capital of the Company from ₹ 50,00,00,000/- (Fifty Crores only) divided into 5,00,00,000 (Five Crores) equity shares of Rs. 10/- (Ten only) each to ₹ 60,00,00,000/- (Rupees Sixty Crore Only) divided into 6,00,00,000 (Six Crore) equity shares of ₹ 10/- (Ten only) ranking pari passu in all respect with the existing Equity shares of the Company”

“RESOLVED FURTHER THAT the Memorandum of Association of the Company be and is hereby altered by substituting the existing Clause V thereof by the following new Clause V as under:

V. The Authorised Share Capital of the Company is ₹60,00,00,000 (Rupees Sixty Crores only) divided into 6,00,00,000 (Six Crore) equity shares of ₹10/- each”

“RESOLVED FURTHER THAT any one of the directors of the Company or Company Secretary be and are hereby severally authorised to do all such act(s), deed(s) and things including filing of all forms and documents with Registrar of Companies and other Regulatory Authorities as may be necessary and incidental to give effect to the aforesaid resolution”.

8. To Increase the Borrowing Limits of the Company under Section 180 (1) (c) of the Companies Act 2013.

*To consider passing the following resolution as a **Special Resolution**;*

“RESOLVED THAT in supersession of earlier resolution passed in this regard, pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, including any statutory modification(s) or reenactment(s) thereof, for the time being in force and consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board), to borrow any sum or sums of money from time to time , including by the way of issuance of debenture at its discretion, for the purpose of the business of the Company, from banks, financial institutions, corporates and other body corporate, the aggregate of which is in excess of aggregate of the paid-up share capital of the Company and its free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained / to be obtained from the Company’s Bankers in the ordinary course of business, shall not be in excess of ₹ 400 Crores (Rupees Four Hundred only) over and above the aggregate of the paid up share capital, free reserves and securities premium of the Company.

“RESOLVED FURTHER THAT any one of the directors of the Company or Company Secretary be and are hereby severally authorised to do all such act(s), deed(s) and things including filing of all forms and documents with Registrar of Companies and other Regulatory Authorities as may be necessary and incidental to give effect to the aforesaid resolution”.

9. Creation of Charge on the movable and immovable properties of the Company, both present and future, in respect of borrowings under Section 180 (1) (a) of the Companies Act 2013.

*To consider passing the following resolution as a **Special Resolution***

RESOLVED THAT pursuant to the provisions of section 180(1)(a) of the Companies Act, 2013, and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and all other enabling provisions if any, the consent of the members of the Company be and is hereby accorded to the Board of Directors (“the Board”) to hypothecate/mortgage/ pledge and/or create charge on all or any immovable and movable properties of the Company both present and future or the whole or substantially the whole of the undertaking(s) of the Company in favour of the Banks/ Financial Institutions/ Companies or for securing any loans of the Company or any other Group Companies or obtaining any other facility, together with interest, costs, charges, expenses and any other monies payable by the Company within the overall borrowing powers delegated to the Board of Directors from time to time pursuant to section 180(1)(c) of the Companies Act, 2013.

“RESOLVED FURTHER THAT any one of the directors of the Company or Company Secretary be and are hereby severally authorised to do all such act(s), deed(s) and things including filing of all forms and documents with Registrar of Companies and other Regulatory Authorities as may be necessary and incidental to give effect to the aforesaid resolution.”

10. Approval to make investment, give loan, guarantees and provide securities under section 186 of the Companies Act 2013.

*To consider passing the following resolution as a **Special Resolution**;*

“RESOLVED THAT in supersession of earlier resolution passed in this regard, pursuant to the provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or reenactments thereof, the consent of the shareholders of the Company be and is hereby accorded to the Board of Directors of the Company for giving any loan to any person or body corporate, give any guarantee or provide security in connection with a loan to any other body corporate or person; and acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, any sum or sums of moneys on such terms and conditions and with or without security as the Board of Directors may think fit from time to time which together with the loans, guarantee, security and investment given/provided/ made by the Company, may exceed the aggregate permissible limit i.e. 60% of the paid-up capital of the Company and its free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more, provided that the aggregate of such sum or sums of moneys shall not at any time exceed the ₹ 200 Crores (Rupees Two Hundred Crores Only).”

RESOLVED FURTHER THAT the consent of the Company be and is hereby accorded to the Board to invest in Related Parties, make loans to them; provide guarantees/security on their behalf, to person, within the limits, if any, as may be applicable from time to time and on such terms and conditions as may be deemed fit and expedient.

RESOLVED FURTHER THAT any one of the directors of the Company or Company Secretary be and are hereby severally authorised to do all such act(s), deed(s) and things including filing of all forms and documents with Registrar of Companies and other Regulatory Authorities as may be necessary and incidental to give effect to the aforesaid resolution”.

11. Approval to advance any loan/give guarantee/provide security u/s 185 of the Companies Act, 2013.

*To consider passing the following resolution as a **Special Resolution**;*

“RESOLVED THAT pursuant to the provisions of Section 185 and other applicable provisions, if any of the Companies Act, 2013 (“Act”) (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions and permissions as may be necessary, approval of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise its powers, including the powers conferred by this Resolution), for giving loan(s) in one or more tranches including loan represented by way of book debt (the “Loan”) to, and/or giving of guarantee(s), and/or providing of security(ies) in connection with any Loan taken/to be taken by any entity which is a Subsidiary or Associate or Joint Venture or group entity of the Company or any other person in which any of the Directors of the Company is deemed to be interested as specified in the explanation to sub-section 2 of section 185 of the Act (collectively referred to as the “Entities”), of an aggregate amount not exceeding exceed the ₹ 200 Crores (Rupees Two Hundred Crores Only) in its absolute discretion deem beneficial and in the best interest of the Company.”

RESOLVED FURTHER THAT any one of the directors of the Company or Company Secretary be and are hereby severally authorised to do all such act(s), deed(s) and things including filing of all forms and documents with Registrar of Companies and other Regulatory Authorities as may be necessary and incidental to give effect to the aforesaid resolution”.

12. Appointment of M/s. BP & Associates, Company Secretaries, as Secretarial Auditor of the Company for a term of five consecutive years.

*To consider passing the following resolution as an **Ordinary Resolution***

“RESOLVED THAT pursuant to the provisions of Section 204 and other applicable provisions of the Companies Act, 2013, if any and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A and other 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), and based on the recommendation of Audit Committee and the approval of the Board of Directors of the Company, the consent of the members be and is hereby accorded for appointment of M/s. BP & Associates, Company Secretaries (Firm Registration No: P2015TN040200) (Peer Review No:7014/2025) as the Secretarial Auditors of the Company for a period of (5) five consecutive financial year to hold office from the financial year 2025-2026 to 2029-2030 on such remuneration including out of Pocket expenses and other expenses as may be mutually agreed by and between the Board of Directors of the Company or any Committee of the Board of Directors in consultation with the Secretarial Auditors.

RESOLVED FURTHER THAT any one of the Directors of the Company or Company Secretary be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and sign and execute all applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.”

13. Approval of Material Related Party Transaction (“RPT”) with Katyayini Aquatech Private Limited.

*To consider passing the following resolution as an **Ordinary Resolution***

RESOLVED THAT pursuant to the provisions of Section 188 of The Companies Act, 2013 (“the Act”) and all other applicable provisions, if any, read with Rule 15 of The Companies (Meetings of Board and its Powers) Rules, 2014 and any other rules made thereunder (including any statutory modification(s) or re-enactment or amendment(s) thereof, for the time being in force, if any) and in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”), as amended from time to time, 2(1)(zc) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, the Company’s policy on Related Party Transactions, and subject to such approvals, consent(s), permission(s) as may be necessary from time to time and the Members of the Company do hereby accord approval to the Board of Directors of the Company (hereinafter referred to as “Board”, which term shall be deemed to include any duly authorized Committee constituted / empowered by the Board, from time to time, to exercise its powers conferred by this resolution), for entering into and/or carrying out and/or continuing with existing contract(s) / arrangement(s) / transaction(s) or modification(s) of earlier / arrangements / transactions or as fresh and independent transaction(s) or otherwise (whether individually or series of transaction(s) taken together or otherwise), with Katyayini Aquatech Private Limited (KAPL), a related party falling within the definition of “Related Party” under Section 2(76) of the Act and Regulation 2(1)(zb) of the SEBI Listing Regulations, from 35th Annual General Meeting [the date of passing of this resolution] till the date of 36th Annual General Meeting for a period not exceeding fifteen months, as per the details set out in the explanatory statement annexed to this notice, notwithstanding the fact that the aggregate value not exceeding ₹ 100 crore for purchase and sale of Shrimp and Shrimp Feed for the purpose of business, subject to such contract(s) / arrangement(s) / transaction(s) being carried out at arm’s length and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT any one of the Directors be and are severally authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respect.”

14. Approval of Material Related Party Transaction (“RPT”) with M/s. S P Enterprises (Partnership Firm)

*To consider passing the following resolution as an **Ordinary Resolution***

RESOLVED THAT pursuant to the provisions of Section 188 of The Companies Act, 2013 (“the Act”) and all other applicable provisions, if any, read with Rule 15 of The Companies (Meetings of Board and its Powers) Rules, 2014 and any other rules made thereunder (including any statutory modification(s) or re-enactment or amendment(s) thereof, for the time being in force, if any) and

in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”), as amended from time to time, 2(1)(zc) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, the Company’s policy on Related Party Transactions, and subject to such approvals, consent(s), permission(s) as may be necessary from time to time and the Members of the Company do hereby accord approval to the Board of Directors of the Company (hereinafter referred to as “Board”, which term shall be deemed to include any duly authorized Committee constituted / empowered by the Board, from time to time, to exercise its powers conferred by this resolution), for entering into and/or carrying out and/or continuing with existing contract(s) / arrangement(s) / transaction(s) or modification(s) of earlier / arrangements / transactions or as fresh and independent transaction(s) or otherwise (whether individually or series of transaction(s) taken together or otherwise), with M/s S P Enterprises (Partnership Firm) ,a related party falling within the definition of “Related Party” under Section 2(76) of the Act and Regulation 2(1)(zb) of the SEBI Listing Regulations, from 35th Annual General Meeting [the date of passing of this resolution] till the date of 36th Annual General Meeting for a period not exceeding fifteen months, as per the details set out in the explanatory statement annexed to this notice, notwithstanding the fact that the aggregate value not exceeding ₹ 75 crore for purchase and sale of Shrimp and Shrimp Feed for the purpose of business, subject to such contract(s)/ arrangement(s)/ transaction(s) being carried out at arm’s length and in the ordinary course of business of the Company.

“RESOLVED FURTHER THAT any one of the Directors be and are severally authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer, or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

“RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respect”.

By order of the Board of Directors
For **SHARAT INDUSTRIES LIMITED**

N. GANESAN
COMPANY SECRETARY & COMPLIANCE OFFICER
M.NO: A8407

Place: Nellore
Date: 02nd September 2025

Registered Office: Vekkannapalem Village, T.P Gadur Mandal
Nellore District, Andhra Pradesh - 524002
e-mail: cs@sharatindustries.com
Website: www.sharatindustries.com
CIN: L05005AP1990PLC011276

Notes for Members

1. Pursuant to the Ministry of Corporate Affairs (MCA) vide its General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 19/2021 dated December 08, 2021 and General Circular No. 21/2021 dated December 14, 2021 and General Circular No. 02/2022 dated May 05, 2022 and General Circular No. 10/2022 dated December 28, 2022 and General Circular No. 09/2023 dated September 25, 2023 and General Circular No. 09/2024 dated September 19, 2024 issued by Ministry of Corporate Affairs (collectively “MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 and Circular No. SEBI Circular No. SEBI/HO/DDHS/P/ CIR/2023/0164 dated October 6, 2023 and Circular No. SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 and Circular No. SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 (collectively “SEBI Circulars”), have permitted companies to conduct AGM through VC or Other Audio Visual Means, subject to compliance of various conditions mentioned therein till September 30, 2025. In compliance with the aforesaid MCA Circulars and SEBI Circulars and the applicable provisions of Companies Act, 2013 and rules made thereunder, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The 35th Annual General Meeting (AGM) of the Company is thus being held through video conferencing (VC) or other audio visual means (OAVM) without physical presence of members at a common venue. The registered office of the company shall be deemed to be the venue for the AGM. Hence, members can attend and participate in the ensuing AGM through VC/OAVM. Further, in accordance with SS-2 issued by ICSI read with Clarification / Guidance on applicability of Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) dated April 15, 2020, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company at Vankanna Palem Village, T P Gudur Mandal, Nellore, Andhra Pradesh which shall be the deemed venue of the AGM.
2. In accordance with the aforesaid MCA Circulars and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023, SEBI/HO/CFD/CFD-PoD-2/P/ CIR/2023/167 dated October 7, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 issued by Securities Exchange Board of India (collectively referred to as “SEBI Circulars”), the Notice of the AGM along with the Annual Report for FY 2024-2025 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/National Securities Depository Limited (“NSDL”) and the Central Depository Services (India) Limited (“CDSL”), collectively “Depositories”.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee

and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of the act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the company. Since this AGM is being held pursuant to the MCA circulars through VC/OAVM, physical attendance of members has been dispensed with. Accordingly, the facility for the appointment of proxies by the members will not be available for this AGM and hence the proxy form, attendance slip and route map of AGM are not annexed to this notice
6. In pursuance of Section 112 and Section 113 of the Companies Act, 2013 read with MCA Circulars, the President of India or the Governor of a State or a body corporate, if they are members of a Company are entitled to appoint their authorized representative to attend the AGM through VC/OAVM on their behalf and participate thereat, including cast votes by electronic means (details of which are provided separately, herein below). The Corporate shareholders are requested to send a certified true copy of the Board resolution authorizing their representatives to attend and vote at the Annual General Meeting (AGM) through VC/OAVM.
7. Only registered Members of the Company may attend and vote at the AGM through VC/OAVM facility. In the case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.
8. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, Regulation 44 of the SEBI Listing Regulations and the Circulars issued by the MCA in this regard, the Company has provided a facility to the Members to exercise their vote through electronic means.
9. The facility of casting the votes using an electronic voting system ("remote e-voting") will be provided by CDSL. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e., 19th September, 2025, shall be entitled to avail the facility of remote e-voting as well as e-voting at the AGM.
10. The remote e-voting period commences from Monday, 22nd September, 2025 (9.00 a.m. IST) and ends on Friday, 26th September 2025 (5.00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialised form, as on the cut-off date, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
11. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system at the AGM.
12. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date. The instructions for remote e-voting and e-voting at AGM and joining the AGM virtually are annexed in the AGM Notice.
13. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <https://sharatindustries.com> The Notice can also be accessed from the websites of the Stock Exchanges i.e BSE Limited at www.bseindia.com . The AGM Notice is also disseminated on the website of

CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

14. The explanatory statement pursuant to the provisions of Section 102(1) of the Companies Act, 2013, read with the relevant Rules made thereunder (the “Act”) and Regulation 44 of the Listing Regulations and the MCA circular, setting out the material facts and reasons, in respect of the special business of this Notice, is annexed herewith.
15. Pursuant to Regulation 42 of the SEBI Listing Regulations, the Register of Members and Share Transfer Books of the Company will remain closed from 20th September 2025 (Saturday) to 27th September 2025 (Saturday) (both days inclusive). The Record date for the purpose of determining the names of the shareholders who are entitled for the final dividend based on approval of members shall be 19th September 2025.
16. Shareholders, whose names are recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut -off date i.e. 19th September 2025 shall be entitled to avail the facility of remote e-voting or voting at the AGM.
17. The voting rights of the members shall be in proportion to their shares of the paid up share capital of the Company as on the cut off date i.e. 19th September 2025.
18. As per Regulation 40 of the SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form, 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 dematerialised form. Members can contact the Company’s RTA, for assistance in this regard.
19. During the AGM, members may access the scanned copy of the Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, and the Register of Contracts and arrangements in which directors are interested maintained under Section 189 of the Act, upon request made at cs@sharatindustries.com
20. Brief resume of Directors proposed to be appointed along with such other details as stipulated under Regulation 36(3) of SEBI (LODR) Regulations, 2015, as amended and Secretarial Standards on General Meetings (SS-2), are provided in this notice.
21. In view of the applicability of Securities and Exchange Board of India (“SEBI”) notification dated 08th June, 2018, which has mandated that the requests for transfer of securities shall take place only in dematerialized form w.e.f 01st April, 2019, members are requested to dematerialize their securities with NSDL/CDSL in order to avoid any hassle while transferring the securities in future. The Company’s ISIN No. is INE220Z01013.
22. Members holding shares in physical form are requested to communicate their change of postal address (enclose self attested copy of Aadhar card), email address, if any, and bank account details (enclose cancelled cheque leaf) quoting their folio nos. to Company’s RTA at [WISDOM-https://wisdom.cameoindia.com](https://wisdom.cameoindia.com). Similarly members holding shares in Demat Form shall intimate the above details to their respective Depository Participants. Members are requested to register their email ID and contact numbers for ease of communication with the RTA or with their respective Depository Participants.
23. Members are requested to lodge Share Transfer Documents and all other correspondences and queries relating to Share Transfer, Share Certificates, Change of address, dividend related matters

and for any other clarifications to the Company's Registrar and Share Transfer Agent (RTA), Cameo Corporate Services Limited, by writing to them at Subramanian Building, No.1, Club House Road, Chennai – 600 002, or by sending query/clarification to <https://wisdom.cameoindia.com>.

24. The Securities and Exchange Board of India (SEBI) had mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form can submit their PAN to their Depository Participant(s). Members holding shares in physical form can submit their PAN details to the Company's RTA.
25. The Company has appointed Mr. Prabhakar Chandrasekaran, Partner BP & Associates, Company Secretaries (Entity ID: 83104) as Scrutinizer to scrutinize the remote e-voting process and e-voting at the AGM in a fair and transparent manner who have consented to be available for the same.
26. Scrutinizer shall not later than two working days of the conclusion of the AGM prepare and provide a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to each of the resolution and provide the same to the Chairman or a person authorized by him in writing and such person may declare the result of the voting forthwith.
27. The results of the remote e-voting and e-voting at the AGM will be announced by the Chairman or person authorized by him within two working days from the conclusion of AGM. The voting results along with the Scrutinizer's Report shall be placed at the website of the Company <https://sharatindustries.com> and on the website of CDSL www.evotingindia.com. The results will be simultaneously communicated to the BSE Limited (BSE), Stock Exchange at www.bseindia.com
28. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nominations is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in ISR-3 or SH-14 as the case may be. Members are requested to submit the said details to their Depository Participants in case the shares are held by them in dematerialized form and to the Company's RTA in case the shares are held by them in physical form, quoting their folio number.
29. SEBI has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal at <https://smartodr.in/login>.

30. Tax on Dividend

Members may note that as per the Income Tax Act, 1961, dividend income is taxable in the hands of the Members and the Company is required to deduct tax at source ('TDS') from dividend paid to the Members at rates prescribed in the Income Tax Act, 1961.

In order to enable the Company to determine the appropriate TDS rate as applicable, Members are requested to submit the documents in accordance with the provisions of the Income Tax Act, 1961 and Rules thereto.

a. For Resident Members:

Tax at source shall be deducted under Section 194 of the Income Tax Act, 1961 at 10% on the amount of dividend declared and paid by the Company during FY 2024-25, subject to PAN details registered/ updated by the Member. If PAN is not registered/ updated in the demat

account/folio as on the cut-off date, TDS would be deducted at 20% as per Section 206AA of the Income Tax Act, 1961.

No tax at source is required to be deducted, if aggregate dividend paid or likely to be paid during the FY to individual member does not exceed ₹5,000, subject to Member not being a 'Specified Person' and the status of the PAN of the Member not being 'in-operative' on record date as per provisions of the Income Tax Act, 1961.

Further, in cases where the Member provides Form 15G (applicable to any person other than a Company or a Firm) /Form 15H (applicable to an Individual above the age of 60 years), provided that the eligibility conditions are being met, no TDS shall be deducted, subject to the PAN of the Member not having an 'In-operative' status as per provisions of section 139AA of the Income Tax Act, 1961.

Further, in case PAN of any Member falls under the category of 'In-operative', the Company shall deduct TDS @ 20% as per Section 139AA of the Income Tax Act 1961. In case of resident member having Order under Section 197 of the Income Tax Act, 1961, TDS will be deducted at the rate mentioned in the Order, provided the Member submits copy of the Order obtained from the income-tax authorities.

b. For Non-resident Members:

Tax at source shall be deducted under Section 195 of the Income Tax Act, 1961 at the applicable rates. As per the relevant provisions of the Income-tax Act, 1961, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of dividend payable to non-resident Members.

Further, in case of Foreign Institutional Investors and Foreign Portfolio Investors, tax shall be deducted at source at 20% (plus applicable surcharge and cess) under Section 196D of the Income Tax Act.

In case of Non-resident member having Order under Section 197 of the Income Tax Act, 1961 TDS will be deducted at the rate mentioned in the Order; provided the member submits copy of the order obtained from the income-tax authorities.

As per Section 90 of the Income Tax Act, 1961, Members may be entitled to avail lower TDS rate as per Double Taxation Avoidance Agreement (DTAA). To avail the Tax Treaty benefits, the non-resident Member will have to provide the following:

- Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the member is resident
- Electronically generated Form 10-F
- Self-attested copy of the Permanent Account Number (PAN Card) allotted by the Indian Income Tax authorities, if any
- Self-declaration, certifying the following points:
 - i. Members are and will continue to remain tax resident of the country of its residence during FY 2024-25.
 - ii. The member is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company.

- iii. Members have no reason to believe that its claim for the benefits of the DTAA is impaired in any manner.
- iv. Member is the ultimate beneficial owner of its shareholding in the Company and Dividend receivable from the Company.
- v. Member does not have a taxable presence or a permanent establishment in India during FY 2024-25.

c. For all Members:

In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided / to be provided by the Member(s), such Member(s) will be responsible to indemnify the Company and also, provide the Company with all information / documents and co-operation in any proceedings.

Members holding shares under multiple accounts under different status / categories and single PAN, may note that, higher of the tax as applicable to the status in which shares are held under a PAN will be considered on their entire holding in different accounts. In case of any discrepancy in documents submitted by the Member, the Company will deduct tax at a higher rate as applicable, without any further communication in this regard. In the case of joint Members, the member named first in the Register of Member is required to furnish the requisite documents for claiming any applicable beneficial tax rate.

Notwithstanding the above, in case PAN falls under the category of 'Specified Person', Member is mandatorily required to submit a declaration providing status of Permanent Establishment in India for FY 2024-25. As per Section 206AB of the Income Tax Act, 1961, if the said declaration is not furnished, the Company shall deduct tax at source at twice the applicable rate referred above.

The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/ withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by the non-resident member.

In order to enable the Company to determine the appropriate TDS / withholding tax rate applicable, Members are requested to provide the aforesaid details and documents on or before 19th September, 2025,

No communication on the tax determination/ deduction shall be entertained post 19th September, 2025, Members may note that in case the tax on said dividend is deducted at a higher rate due to non-receipt of the aforementioned details/ documents, there would still be an option available to the Member to file the return of income and claim an appropriate refund, if eligible.

31. Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), dividends, if not claimed for a consecutive period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ('IEPF').

The IEPF Rules mandate companies to transfer shares of members whose dividends remain unpaid/unclaimed for a continuous period of seven years to the demat account of IEPF Authority.

The members whose dividend/shares are transferred to the IEPF Authority can claim their shares/ dividend from the Authority. The Company has appointed Mr. N. Ganesan, Company Secretary as the Nodal Officer of the Company under IEPF provisions.

32. In compliance with the aforesaid MCA & SEBI Circulars, electronic copy of the notice of the AGM along with the Annual Report 2024-25 is being sent only through electronic mode to those members whose email addresses are registered with the Company/Depositories. Members who have not registered their email addresses so far or who would like to update their email addresses already registered, are requested to register /update their email address with their Depository Participants (in respect of shareholders who hold shares in dematerialized form) and with RTA (for those shareholders who hold shares in physical form) to enable us to send you all communications including Annual Report, Notices etc.

THE INTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

- i) The voting period begins on Monday, 22nd September 2025 at 9.00 A.M. and ends on Friday, 26th September 2025 at 5.00 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 Friday, 19th September 2025 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Pursuant to Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode with CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at cdsi website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

Type of shareholders	Login Method
	3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2: Access through CDSL e-voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	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. <ul style="list-style-type: none"> 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.

- 7) After entering these details appropriately, click on “SUBMIT” tab.
- 8) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- 9) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- 10) Click on the EVSN of Sharat Industries Limited on which you choose to vote.
- 11) 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.
- 12) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- 13) 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.
- 14) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

- 15) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- 16) 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.
- 17) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

18) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.

- a) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- c) 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.
- d) The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- e) It is mandatory that, 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.
- f) Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address cs@sharatindustries.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at cs@sharatindustries.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at cs@sharatindustries.com These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investor@cameoindia.com
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free no. 1800 22 55 33

The Statutory Registers and documents in accordance with the Companies Act, 2013 will be available for inspection in electronic mode.

The Results shall be declared by the Chairman, or any person authorized by him in this regard on or before 30th September 2025. The result along with the Scrutiniser's Report shall also be placed on the website of the Company www.sharatindustries.com and on the website of the CDSL i.e., www.evotingindia.com and Stock exchange i.e., www.bseindia.com.

EXPLANATORY STATEMENT

Statement pursuant to Section 102 of the Companies Act, 2013 ("Act")

The Explanatory Statement sets out all material facts relating to items under Special Business mentioned in the accompanying Notice for convening the Annual General Meeting (AGM) of the Company

Item No:4

Re-appointment of Mr. Harihar Venkata Muthyam (DIN: 08160011) as an Independent Director for a Second Term of five (5) consecutive years

Mr. Harihar Venkata Muthyam (DIN:08160011) was appointed as an Independent Director of the Company for a term of 5 years effective from 28th September 2020. His term would accordingly expire on 27th September 2025, close of the business hours.

The Company has received consent from Mr. Harihar Venkata Muthyam for being reappointed as an Independent Director for a second term of 5 years. Pursuant to the recommendation of the Nomination and Remuneration Committee and Board of Directors on 02nd September 2025, Mr. Harihar Venkata Muthyam can be re-appointed as Independent Director for second term of 5 consecutive years effective from 28th September 2025 to 27th September 2030 subject to the approval of shareholders by Special Resolution.

Mr. Harihar Venkata Muthyam aged about 34 years, has a bachelor degree in information technology. Mr. Harihar Venkata Muthyam has a major experience as Risk Analyst, Business Management, Business Strategy and Corporate Planning.

The Company has received a declaration from Mr. Harihar Venkata Muthyam confirming that he meets the criteria of independence as provided under section 149 (6) of the Companies Act 2013 ("Act") and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Further, Mr. Harihar Venkata Muthyam is not disqualified from being appointed as Director in terms of Section 164 of the Act. In terms of Section 149 read with Section 152 of the Act, Mr. Harihar Venkata Muthyam shall hold office for a term up to 5 (five) years on the Board and is not liable to retire by rotation.

None of the Directors or Key Managerial Personnel of the Company and their relatives other than Mr. Harihar Venkata Muthyam (being the appointee) are concerned or interested, financially or otherwise, are interested in or concerned financially or otherwise in the resolution.

None of the Directors or Key Managerial Personnel are related to each other. The Board of Directors are of the opinion that Mr. Harihar Venkata Muthyam skills, competence and diverse experience would be of immense benefit to the Company and it is desirable to continue to avail his services as an Independent Director.

The board, therefore, recommends the special resolution, as set out in item no.4, for approval by the shareholders of the Company

Item no: 5**Re-Appointment of Mr. Prasad Reddy Sabbella (DIN:00069094) as Managing Director for a period of five years from 01st April 2026 to 31st March 2031.**

Mr. Prasad Reddy Sabbella (DIN :00069094) was re-appointed as the Managing Director for a period of Three years with effect from 01st April 2023 to 31st March 2026. Mr. Prasad Reddy Sabbella will complete his present term on 31st March 2026.

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at its Meeting held on 02nd September 2025 subject to the approval of the members, re-appointed Mr. Prasad Reddy Sabbella as the Managing Director of the Company for a further period of 5 years with effect from 01st April 2026 on the terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee and approved by the Board for a period of three years (01st April 2026 to 31st March 2029), as mentioned in the resolution and here above.

Considering that Mr. Prasad Reddy Sabbella brings with him nearly four decades of rich experience in the field of Integrated Aquaculture and has been instrumental in conceptualizing and establishing Sharat Industries Limited as a fully integrated aquaculture company, the Board recommends his re-appointment as Managing Director of the Company for a further period of five years with effect from 01st April 2026, on the terms of remuneration and other conditions as set out in the Resolution under Item No. 5 of the Notice.

Mr. Prasad Reddy Sabbella will not be entitled to sitting fee for each meeting of the Board and / or Committee thereof attended by him.

Considering his vast experience of Mr. Prasad Reddy Sabbella in the field of Integrated Aquaculture the Board of Directors is of the opinion that the services of Mr. Prasad Reddy Sabbella should be available to the Company for a further period of 5 (Five) years with effect from 01st April 2026. Further, he will attain the age of 70 years on 26th June 2026, hence the company seeks consent of the members by way of special resolution for continuation of her holding of existing office Managing Director after the age of 70 years during the currency of his term of re-appointment under the provisions of Section 196(3) (a) of the Companies Act, 2013 and the resolution for same is also included in the item No 5 of this Annual General Meeting.

Reference to the provision of section 196, 197 and 203 of the Companies act, 2013, read with schedule V to the companies act 2013 along with the Ministry of Corporate Affairs (MCA) through its notification dated 12 September 2018 notified provisions of the Companies (Amendment) Act, 2017 (Amendment Act, 2017) and amended schedule V of Companies Act, 2013 , provides for payment of managerial remuneration by Companies, requires members approval for payment of managerial remuneration to the managerial person for period of not exceeding 3 years by way of special resolution.

Hence the Board recommends the resolution for member approval by way of special resolution, provided that such variation or increase in remuneration may be beyond the specified limit as specified under the relevant provisions of Section 196, 197 and Schedule V to the Companies Act, 2013.

The proposal as set out in the Notice is placed for consideration and approval of the shareholders as Special Resolution

Statement of Particulars (Pursuant to Schedule-V of the Companies Act, 2013) is given below:**I. General Information**

1. Nature of Industry	Sharat Industries Limited is an Integrated Aquaculture Company. It is in the business of Shrimp Aquaculture and Manufacture and sale of shrimp feeds.		
2. Date of Commencement of Commercial Production	The Company was incorporated on 7 th May 1990 as a Private Limited Company and commenced its business operations.		
3. In Case of new companies, expected date of commencement of activities as per projects approved by financial institution appearing in the prospects	Not Applicable		
4. Financial Performance of the Company	Rs. In Lakhs		
Financial Parameters	FY 2023-2024	FY 2022-2023	FY 2021-2022
Total Income	30,274.69	33,600.72	24,810.02
Profit/ (Loss) Before Tax	765.92	908.69	450.51
Profit/ (Loss) after Tax	587.30	654.42	345.90
5. Foreign investments or collaborations, if any.	Nil		

II. Information about appointee:

1. Background details	Mr. Prasad Reddy Sabbella has nearly 4 decades of experience in the field of Integrated Aquaculture. He is an instrumental in conceptualizing and setting up Sharat Industries Limited as an integrated aquaculture Company.
2. Past Remuneration	Salary for the year ended 31 st March 2025 was Rs. ₹ 6,00,000/- per month and perquisites as mentioned Item no; 5 in the relevant resolutions.
3. Recognition or awards	Not Applicable
4. Job Profile and his suitability	Mr. Prasad Reddy Sabbella is the Managing Director, in-charge of the overall management of the affairs of the Company and business development. He is considered as visionary in the seafood sector and was instrumental in setting up Sharat Industries Limited as integrated Aquaculture Company.
5. Remuneration Proposed	As set out in the resolution at the Item No. 5 of the notice of 35 th Annual General meeting

6. Comparative remuneration profile with respects to industry, size of the Company, profile of the position and person	The proposed remuneration (duly recommended by the Nomination & Remuneration committee and approved by the Board) is in the line with the industry standards.
7. Pecuniary relationship directly or indirectly, with the Company or relationship with the managerial personnel, if any	Father of Mr. Sharat Reddy Sabbella, Whole-Time Director

III. Other Information:

1. Reasons of loss or inadequate profits	Industry trend and increase in operating standards
2. Steps taken or proposed to be taken for improvement	The Company is on a growth path and is expected to make higher profits in future.
3. Expected increase in productivity and profits in measurable terms	The Company is very conscious about improvement in productivity and undertakes constant measures to improve it. However, it is extremely difficult in the present scenario to predict profits in measurable terms

Your directors recommend the Special Resolution as set out in Item No.5 of the accompanying Notice for the approval for the members in the best interest of the Company.

Expect Mr. Prasad Reddy Sabbella being the appointee, his son Mr. Sharat Reddy Sabbella (Whole - Time Director) and other members of the Promoter's of the Company, to the extent of their respective shareholding or involvement in this resolution, none of the Directors, Key Managerial Personnel of the Company or their relatives are, in any manner, concerned or interested, financially or otherwise, in the said resolution.

Item No: 6

Re-Appointment of Mr. Sharat Reddy Sabbella (DIN:02929724) as Whole-Time Director for a period of five years from 01st April 2026 to 31st March 2031.

Mr. Sharat Reddy Sabbella (DIN :02929724) was re-appointed as the Whole-Time Director for a period of Three years with effect from 01st April 2023 to 31st March 2026. Mr. Sharat Reddy Sabbella will complete his present term on 31st March 2026.

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at its Meeting held on 02nd September 2025 subject to the approval of the members, re-appointed Mr. Sharat Reddy Sabbella as the Whole-Time Director of the Company for a further period of 5 years with effect from 01st April 2026 on the terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee and approved by the Board for

a period of three years (01st April 2026 to 31st March 2029), as mentioned in the resolution and here above.

Mr. Sharat Reddy Sabbella has played a key role in transforming the Company from traditional aquaculture business into future-focused, technology- led seafood enterprise, with expertise across the operations, finance and marketing Mr. Sharat Reddy is committed to growth, global market relevance and operational excellence, the Board recommends his re-appointment as Whole-Time Director of the Company for a further period of five years with effect from 01st April 2026, on the terms of remuneration and other conditions as set out in the Resolution under Item No. 6 of the Notice.

Mr. Sharat Reddy Sabbella will not be entitled to sitting fee for each meeting of the Board and / or Committee thereof attended by him.

Reference to the provision of section 196, 197 and 203 of the Companies act, 2013, read with schedule V to the companies act 2013 along with the Ministry of Corporate Affairs (MCA) through its notification dated 12 September 2018 notified provisions of the Companies (Amendment) Act, 2017 (Amendment Act, 2017) and amended schedule V of Companies Act, 2013 , provides for payment of managerial remuneration by Companies, requires members approval for payment of managerial remuneration to the managerial person for period of not exceeding 3 years by way of special resolution.

Hence the Board recommends the resolution for member approval by way of special resolution, provided that such variation or increase in remuneration may be beyond the specified limit as specified under the relevant provisions of Section 196, 197 and Schedule V to the Companies Act, 2013.

The proposal as set out in the Notice is placed for consideration and approval of the shareholders as Special Resolution

Statement of Particulars (Pursuant to Schedule-V of the Companies Act, 2013) is given below:

I. General Information

1. Nature of Industry	Sharat Industries Limited is an Integrated Aquaculture Company. It is in the business of Shrimp Aquaculture and Manufacture and sale of shrimp feeds.
2. Date of Commencement of Commercial Production	The Company was incorporated on 7 th May 1990 as a Private Limited Company and commenced its business operations.
3. In Case of new companies, expected date of commencement of activities as per projects approved by financial institution appearing in the prospects	Not Applicable
4. Financial Performance of the Company	Rs. In Lakhs

Financial Parameters	FY 2023-2024	FY 2022-2023	FY 2021-2022
Total Income	30,274.69	33,600.72	24,810.02
Profit/ (Loss) Before Tax	765.92	908.69	450.51
Profit/ (Loss) after Tax	587.30	654.42	345.90
5. Foreign investments or collaborations, if any.	Nil		

II. Information about appointee:

1. Background details	Mr. Sharat Reddy Sabbella has a more than decade of experience in the field of Integrated Aquaculture and seafood's export strategic planning. He has a comprehensive understanding of finance, Management & operations and has played a key role in growth of the Company over a last 10 years
2. Past Remuneration	Salary for the year ended 31 st March 2025 was Rs. ₹ 5,00,0000/- per month and perquisites as mentioned Item no; 6 in the relevant resolutions.
3. Recognition or awards	Not Applicable
4. Job Profile and his suitability	Mr. Sharat Reddy Sabbella, Whole-time Director, is responsible for the overall management of the Company's affairs, including business development and marketing activities. His extensive experience in managing business operations, coupled with his expertise in business development, is considered highly relevant and valuable in effectively discharging his responsibilities as Whole-time Director of the Company."
5. Remuneration Proposed	As set out in the resolution at the Item No. 6 of the notice of 35 th Annual General meeting
6. Comparative remuneration profile with respects to industry, size of the Company, profile of the position and person	The proposed remuneration (duly recommended by the Nomination & Remuneration committee and approved by the Board) is in the line with the industry standards.
7. Pecuniary relationship directly or indirectly, with the Company or relationship with the managerial personnel, if any	Son of Mr. Prasad Reddy Sabbella, Managing Director.

III. Other Information:

1. Reasons of loss or inadequate profits	Industry trend and increase in operating standards
2. Steps taken or proposed to be taken for improvement	The Company is on a growth path and is expected to make higher profits in future.
3. Expected increase in productivity and profits in measurable terms	The Company is very conscious about improvement in productivity and undertakes constant measures to improve it. However, it is extremely difficult in the present scenario to predict profits in measurable terms

Your directors recommend the Special Resolution as set out in Item No.6 of the accompanying Notice for the approval for the members in the best interest of the Company.

Expect Mr. Sharat Reddy Sabbella being the appointee, his father Mr. Parsad Reddy Sabbella (Managing Director), and other members of the Promoter's of the Company to the extent of their respective shareholding or involvement in the resolution, none of the Directors, Key Managerial Personnel of the Company or their relatives are, in any manner, concerned or interested, financially or otherwise, in the said resolution.

Item No:7**Increase in Authorized Share Capital of the Company and alteration to capital clause of the Memorandum of Association of the Company**

The present Authorised Share Capital of the Company is ₹ 50,00,00,000 (Rupees Fifty Crores comprising of 5,00,00,000 (Five Crores) Equity Shares of ₹ 10/- to ₹ 60,00,00,000/- (Rupees Sixty Crore Only) divided into 6,00,00,000 (Six Crores) equity shares of ₹ 10/- (Ten only).

The Company is planning to raise funds by way of issuing equity shares through other capital raising options that may be considered by the Board in the future, so as to ensure availability of sufficient headroom for such capital issuances.

Alteration to the Capital Clause of Memorandum of Association of the Company is proposed in consequence of the above increase in the Authorised Share Capital of the Company.

Pursuant to Section 13 and 61 of the Companies Act, 2013, any increase in the Authorised Share Capital and consequent amendment to the Memorandum of Association of the Company requires approval of the Members of the Company.

The copy of the altered Memorandum of Association of the Company is available for inspection at the Registered Office of the Company during business hours on all working days up to the date of the Meeting and is also available on the Company's website at https://sharatindustries.com/wp-content/uploads/2025/09/Draft_MOA_Alteration.pdf

The Board considers it in the best interest of the Company and accordingly, the Board recommends the Ordinary Resolution as set out at Item No. 7 of the Notice for approval of the Members.

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. 7 of the Notice.

Item No:8 & 9**To Increase the Borrowing Limits of the Company under Section 180 (1) (c) of the Companies Act 2013.****Creation of Charge on the movable and immovable properties of the Company, both present and future, in respect of borrowings under Section 180 (1) (a) of the Companies Act 2013.**

In order to cater to the business requirements, the Board at its meeting held on 02nd September 2025 has approved to increase the borrowing limits from ₹ 200 Crores to ₹ 400 crores over and above the aggregate of the paid-up share capital, free reserves and securities premium of the Company under Section 180(1) (c) of the Companies Act, 2013 subject to shareholders approval.

Further, the borrowings are required to be secured by way of mortgage, hypothecation, pledge and/ or charge on all or any of the movable and/ or immovable properties of the Company (both present and future) and/ or any other assets or properties of the Company and/ or the whole or part of any of the undertaking of the Company in favour of lender(s) from time to time. Therefore, it is proposed to pass a special resolution under Section 180(1)(a) of the Companies Act, 2013 to create mortgage, hypothecation, pledge and/or charge the movable and/or immovable properties of the Company towards the borrowings availed or to be availed by the Company or group company under said provisions up to ₹ 400 crores.

The Board recommends these resolutions under and Section 180(1) (a) and Section 180 (1) (c) of the Companies Act, 2013 for the approval of the members as Special Resolutions.

Accordingly, the Board of Directors recommends the resolution as set out at Item No.8 & 9 of the Notice, for the approval of the members by way of a Special Resolution.

None of the Directors, Key Managerial Personnel or their respective relatives are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 & 9 of this Notice

Item No:10.**Approval to make investment, give loan, guarantees and provide securities under section 186 of the Companies Act 2013.**

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other bodies corporate as and when required and in the best interest of the Company. Members may note that pursuant to Section 186 of the Companies Act, 2013 ("Act"), the Company can give loan or give any guarantee or provide security in connection with a loan to any other body corporate or person and acquire securities of any other body corporate, in excess of 60% of its paid up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more, with the approval of Members by passing special resolution at the general meeting. In view of the aforesaid, it is proposed to obtain the approval under Section 186 of the Companies Act, 2013, by way of special resolution, up to a limit of Rs. 200 Crores, (Rupees Two hundred Crore) as proposed in the Notice. The above proposal is in the interest of the Company and the Board recommends the Resolution as set out at Item No. 10 for approval by the members of the Company as Special Resolution.

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 said resolution except to the extent of their directorship and shareholding in the body corporate(s)/person(s).

Item no: 11**Approval to advance any loan/give guarantee/provide security u/s 185 of the Companies Act, 2013**

Pursuant to Section 185 of the Companies Act, 2013 ("the Act"), a Company may advance any loan including any loan represented by book debt, or give any guarantee or provide any security in connection with any loan taken by any entity (said entity(ies) covered under the category of 'a person in whom any of the director of the Company is interested' as specified in the explanation to Section 185(2)(b) of the Companies Act, 2013, after passing a Special Resolution in the general meeting.

It is proposed to make loan(s) including loan represented by way of Book Debt to, and/or give guarantee(s) and/or provide security(ies) in connection with any loan taken/to be taken by the Subsidiary Companies or Associate or Joint Venture or group entity or any other person in whom any of the Director of the Company is deemed to be interested including loan(s) including loan represented by way of Book Debt already made, and/or already provided guarantee(s) and/or provided security(ies) in connection with any loans already taken by the Subsidiary Companies or Associate or Joint Venture or group entity or any other person in whom any of the Director of the Company is deemed to be interested as specified in the explanation to Section 185(2)(b) of the Act (collectively referred to as the "Entities"), from time to time, for an aggregate amount not exceeding exceed the ₹ 200 Crores (Rupees Two Hundred Crores Only), for the purpose of working capital requirements including purchase of fixed assets, other ancillary business activities as may be required from time to time for its principal business activities and other matters connected and incidental thereto, within the limits as mentioned in the Item no. 11.

The members may note that Board of Directors would carefully evaluate the proposals and provide such loan, guarantee or security through deployment of funds out of internal resources/accruals and/or any other appropriate sources, from time to time on such terms, as agreed by the parties in the best interest of the Company and shall be used by the borrowing company for its principal business activities only.

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 said resolution except to the extent of their directorship and shareholding in the body corporate(s)/person(s).

Item no; 12**Appointment of M/s. BP & Associates, Company Secretaries, as Secretarial Auditor of the Company for a term of five consecutive years.**

The Board at its meeting held on 02nd September 2025 based on the recommendation of the Audit Committee, after evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., has approved the appointment of M/s. BP & Associates, Company Secretaries (Firm Registration No: P2015TN040200) (Peer Review No:7014/2025) as Secretarial Auditors of the Company for a term of 5 (Five) consecutive years, to hold office from the conclusion of the 35th Annual General Meeting ('AGM') to be held in calendar year 2025 till the conclusion of 39th (AGM of the Company to be held in the calendar year 2030, subject to approval of the Members.

The appointment of Secretarial Auditors shall be in terms of the amended Regulation 24A of the SEBI Listing Regulations vide SEBI Notification dated December 12, 2024 and provisions of Section 204 of the Act and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

M/s. BP & Associates has confirmed that the firm is not disqualified and is eligible to be appointed as Secretarial Auditors in terms of Regulation 24A of the SEBI Listing Regulations. The services to be

rendered by M/s. BP & Associates as Secretarial Auditors is within the purview of the said regulation read with SEBI circular no. SEBI/HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated December 31, 2024.

The details required to be disclosed under provisions of Regulation 36(5) of the Listing Regulations are as under:

A. Proposed Fees Payable to Secretarial Auditors:

₹ 2,00,000 (Rupees Two Lakhs only) per annum plus applicable taxes and reimbursement of out-of-pocket expenses in connection with the secretarial audit for the financial year 2025-26 and for subsequent year(s) of their term, such fees as determined by Board of Directors of the Company or any Committee of the Board of Directors in consultation with the Secretarial Auditors. The Board has considered the Compliance knowledge, expertise, industry experience, time, and efforts required to be put in by the proposed secretarial auditor in determining the fees payable to them.

B. Terms of Appointment

For a term of 5 (Five) consecutive years, to hold office from the conclusion of the 35th Annual General Meeting ('AGM') to be held in calendar year 2025 till the conclusion of 39th AGM of the Company to be held in the calendar year 2030.

C. Basis of Recommendation for appointment:

The recommendations are based on the fulfilment of the eligibility criteria & qualification prescribed under the Act & Rules made thereunder and SEBI LODR Regulations with regard to the full-time partners, secretarial audit, experience of the firm, capability, independent assessment, audit experience and also based on the evaluation of the quality of audit work done by them in the past.

D. Credentials of the Secretarial Auditors proposed to be appointed:

M/s. BP & Associates, peer reviewed firm having firm registration number P2015TN040200. The firm is providing various professional services over one decade in the field of Corporate Law, Capital Markets & Securities Laws, Foreign Investment & Exchange Control, NBFC Advisory, Mergers & Acquisitions, etc.

The Firm has consented to act as the Secretarial Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 204 of the Act. It has a valid peer review certificate and audits various companies listed on stock exchanges in India.

The Board recommends passing of this Ordinary Resolution as set out in Item No. 12 of this Notice for your approval.

None of the Directors, Key Managerial Personnel, or their relatives, are in any way, concerned or interested, financially or otherwise, in the proposed Ordinary Resolution as set out in Resolution No. 12 of this Notice.

Item No:13 & 14

Approval of Material Related Party Transaction ("RPT") with Katyayini Aqatech Private Limited & M/s/ S P Enterprises .

As per the provisions of Section 188 of the Companies Act, 2013 ("Act"), transactions with related parties which are on an arm's length basis and in the ordinary course of business, are exempted from the obligation of obtaining prior approval of shareholders. However, Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI

Listing Regulations'), as amended, any transactions with a related party shall be considered material, if the transaction(s) entered into/to be entered into individually or taken together with the previous transactions during a financial year exceeds Rs. 1,000 Crores or 10% of annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower, and shall require prior approval of shareholders by means of an ordinary resolution. The said limits are applicable, even if the transactions are in the ordinary course of business of the concerned company and at an arm's length basis. Further, Regulation 2(1)(zc) of the SEBI Listing Regulations defines a Related Party Transaction ("RPT") to include a transaction involving a transfer of resources, services or obligations between listed entity and a related party, regardless of whether a price is charged or not.

Additionally, SEBI vide its circular dated April 08, 2022 also clarified that "In order to facilitate listed entities to align their processes to conduct AGMs and obtain omnibus shareholders' approval for material RPTs it has been decided to specify that the members approval of omnibus RPTs approved in an AGM shall be valid upto the date of the next AGM for a period not exceeding fifteen months and in case of omnibus approvals for material RPTs, obtained from members in General Meetings other than AGMs, the validity of such omnibus approvals shall not exceed one year.

Given the nature of the industry, the Company works closely with its related parties to achieve its business objectives and enters into various operational transactions with its related parties, from time to time, in the ordinary course of business and on arm's length basis.

The Audit Committee, after considering the details placed before it pursuant to Clause 4 of the SEBI Standards and applicable provisions of the Companies Act, 2013, recommended the proposed Material Related Party Transactions with Katyayini Aquatech Private Limited and S P Enterprises (Partnership Firm) for approval of the Board and shareholders. The Committee confirmed that the transactions are in the ordinary course of business, at arm's length, not prejudicial to the interests of minority shareholders, and aligned with the long-term objectives of the Company."

It is in the above context that, Resolution No(s). 13 & 14 is placed for the approval of the Members of the Company.

Your Company seeks approval of the Members of the Company in terms of Regulation 23 of the Listing Regulations, by way of passing of an Ordinary Resolution to the aforesaid Material Related Party Transactions to be entered from 35th Annual General Meeting [the date of passing of this resolution] till the date of 36th Annual General Meeting

The relevant information pertaining to transactions as required under Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended and SEBI circular vide. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 and SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 are as follows:

S. No.	Description	Details of proposed RPTs
1	Name of the Related Party	Katyayini Aquatech Private Limited
2	Nature of Relationship [including nature of its interest (financial or otherwise)]	One of the Director Cum Promoter (Mrs. Sabbella Devaki Reddy- DIN : 02930336) of Katyayini Aquatech Private Limited is a relative of Key Managerial Personnel and Promoter of the Sharat Industries Limited ("Company").

3	Name of Director(s) or Key Managerial personnel who is related, if any	Spouse - Mr. Prasad Reddy Sabbella, Managing Director of the Company. Son - Mr. Sharat Reddy Sabbella, Whole Time Director of the Company.
4	Nature, duration/tenure, material terms, monetary value and particulars of the contract or arrangement	Purchase and Sale of Shrimp and Shrimp feed. Material terms and conditions are based on the contracts which inter alia include the rates based on prevailing/ extant market conditions and commercial terms as on the date of entering into the contract(s). Tenure – From 35 th Annual General Meeting [the date of passing of this resolution] till the date of 36 th Annual General Meeting for a period not exceeding fifteen months. Value of Proposed Transaction: shall not exceed ₹ 100 (Hundred Crore) Crores.
5	Value of RPT as percentage of Company's audited consolidated annual turnover for the immediately preceding financial year :	In excess of 10% of the annual turnover of the Company FY 2024-25 as per the last audited financial statements.
6	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary.	Not Applicable
7	Justification as to why it is in the interests of the company	The Audit Committee and the Board of the Company are of the opinion that the arrangements are commercially beneficial to the Company and hence the transactions are in the best interest of the Company.
8	Details about valuation/ arm's length and ordinary course of business	The pricing mechanism for transaction is established based on past practice. Therefore, these transactions are conducted in the ordinary course of business and on an arm's length basis.
9	Any other information that is relevant or important for the members to take a decision on the proposed resolution / Any other information that may be relevant	All relevant information are mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice. The transaction shall also be reviewed/ monitored on an annual basis by the Audit Committee of the Company and shall remain within the proposed amount being placed before the shareholders. Any subsequent material modification in the proposed transaction, as may be defined by the Audit Committee as a part of Company's Policy on Related Party Transactions, shall be placed before the shareholders for approval, in terms of Regulation 23(4) of the Listing Regulations.

Item No:13

The relevant information pertaining to transactions as required under Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended and SEBI circular vide. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 and SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 is given below:

S. No.	Description	Details of proposed RPTs
1	Name of the Related Party	M/s S P Enterprises (Partnership Firm)
2	Nature of Relationship	Key Managerial Personnel of the Company are the partners of the firm.
3	Name of Director(s) or Key Managerial personnel who is related, if any	Mr. Prasad Reddy Sabbella, Managing Director and Mr. Sharat Reddy Sabbella, Whole Time Director of the Company
4	Nature, duration/tenure, material terms, monetary value and particulars of the contract or arrangement .	<p>Purchase and Sale of Shrimp and Shrimp feed.</p> <p>Material terms and conditions are based on the contracts which inter alia include the rates based on prevailing/ extant market conditions and commercial terms as on the date of entering into the contract(s).</p> <p>Tenure – From 35th Annual General Meeting [the date of passing of this resolution] till the date of 36th Annual General Meeting for a period not exceeding fifteen months</p> <p>Value of Proposed Transaction: shall not exceed INR 75 (Seventy Five) Crore.</p>
5	Value of RPT as percentage of Company's audited consolidated annual turnover for the immediately preceding financial year .:	In excess of 10% of the annual turnover of the Company FY 2024-25 as per the last audited financial statements
6	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	Not Applicable
7	Justification as to why it is in the interests of the company	The Audit Committee and the Board of the Company are of the opinion that the arrangements are commercially beneficial to the Company and hence the transactions are in the best interest of the Company.
8	Details about valuation/ arm's length and ordinary course of business	The pricing mechanism for transaction is established based on past practice. Therefore, these transactions are conducted in the ordinary course of business and on an arm's length basis.

S. No.	Description	Details of proposed RPTs
9	Any other information that is relevant or important for the members to take a decision on the proposed resolution / Any other information that may be relevant	<p>All relevant information are mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.</p> <p>The transaction shall also be reviewed/ monitored on an annual basis by the Audit Committee of the Company and shall remain within the proposed amount being placed before the shareholders. Any subsequent material modification in the proposed transaction, as may be defined by the Audit Committee as a part of Company's Policy on Related Party Transactions, shall be placed before the shareholders for approval, in terms of Regulation 23(4) of the Listing Regulations.</p>

Details of the proposed transactions with Katyayini Aquatech Private Limited being a related party of the Company, including the minimum information pursuant to Clause 4 of the Standards read with SEBI circular no. SEBI/HO/CFD/ CFD-PoD-2/P/CIR/2025/18 dated 14th February 2025 and applicable provisions of the Companies Act, 2013, if any, and as placed before the Audit Committee for consideration while seeking prior approval of the proposed Material RPT(s), are provided below;

S.No	Particulars of the Information	Information Provided by the Management	Comments of the Audit Committee
A.	Details of the related party and transactions with the related party		
A(1) Basic details of the related party			
1	Name of the Related Party	Katyayini Aquatech Private Limited (KAPL)	Reviewed and taken on record.
2	Country of incorporation of the related party	India	
3	Nature of business of the related party	Katyayini Aquatech Private Limited (KAPL) is engaged in the business of Trading Feed and Shrimp.	
A (2) Relationship and ownership of the related party			
4	Relationship between the listed entity/ subsidiary (in case of transaction involving the subsidiary) and the related party	One of the Director Cum Promoter (Mrs. Sabbella Devaki Reddy- DIN : 02930336) of Katyayini Aquatech Private Limited is a relative of Key Managerial Personnel and Promoter of the Sharat Industries Limited (“Company”)	Disclosure noted; relationship acknowledged.

S.No	Particulars of the Information	Information Provided by the Management	Comments of the Audit Committee
5	Shareholding or contribution % or profit & loss sharing % of the listed entity/ subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party. Explanation: Indirect shareholding shall mean shareholding held through any person, over which the listed entity or subsidiary has control.	Your Company does not have any shareholding or contribution % or profit & loss sharing, whether direct or indirect, in the above related party.	Confirmed, no interest of Company.
6	Shareholding of the related party, whether direct or indirect, in the listed entity/ subsidiary (in case of transaction involving the subsidiary). Explanation: Indirect shareholding shall mean shareholding held through any person, over which the related party has control. While calculating indirect shareholding, shareholding held by relatives shall also be considered	KAPL does not hold any shares directly or indirectly in the listed entity.	Confirmed.

A (3) Financial performance of the related party

	Particulars	₹ in Lakhs FY 23-24	₹ in Lakhs FY 22-23	₹ in Lakhs FY 21-22	
7	Standalone turnover of the related party for each of the last three financial years:	7190.53	6057.00	-	Disclosure and financial position of related party duly noted.
8	Standalone net worth of the related party for each of the last three financial years	362.56	333.15	-	
9	Standalone net profits of the related party for each of the last three financial years:	29.14	13.15	-	

A(4)Details of previous transactions with the related party

S.No	Particulars of the Information	Information Provided by the Management			Comments of the Audit Committee
10	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during each of the last three financial years. Note: Details need to be disclosed separately for listed entity and its subsidiary	₹ in Lakhs FY 23-24	₹ in Lakhs FY 22-23	₹ in Lakhs FY 21-22	Noted, within earlier approved limits.
	Sale of Goods, Purchase of Goods/ fixed assets/ raw materials/ components/parts Receiving & Rendering of Services and Other Transactions	4526.60	3501.10	2162.27	
11	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the current financial year (till the date of approval of the Audit Committee / shareholders).	Not applicable since the Company is taking annual approval at this AGM.			
12	Whether prior approval of Audit Committee has been taken for the abovementioned transactions?	Yes			
13	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last three financial years	No			
A(5) Amount of the proposed transactions (All types of transactions taken together					
14	Total amount of all the proposed transactions being placed for approval in the current meeting.	₹ 100 crore			

S.No	Particulars of the Information	Information Provided by the Management	Comments of the Audit Committee
15	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year is material RPT in terms of Para 1(1) of these Standards?	Yes	
16	Value of the Proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year	26% * Seeking approval from 35 th AGM [the date of passing of this resolution] till the date of 36th AGM for a period not exceeding fifteen months.	The Committee reviewed the quantum of proposed transactions and confirmed that they qualify as material RPTs. The terms are in the ordinary course of business and at arm's length. Accordingly, recommended for Board and shareholder approval
17	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary, and where the listed entity is not a party to the transaction)	Not Applicable	
18	Value of the proposed transactions as a percentage of the related party's annual standalone turnover for the immediately preceding financial year	139%	Noted.

S.No	Particulars of the Information	Information Provided by the Management	Comments of the Audit Committee
B. Details for specific transactions			
B (1) Basic details of the proposed transaction(In case of multiple types of proposed transactions, details to be provided separately for each type of the proposed transaction – for example, (i) sale of goods and purchase of goods to be treated as separate transactions; (ii) sale of goods and sale of services to be treated as separate transactions; (iii) giving of loans and giving of guarantee to be treated as separate transactions)			
1.	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/ services, giving loan, borrowing etc.)	Sale of Goods & Purchase of Goods/ fixed assets/ raw materials/components/parts, Receiving & Rendering of Services and Other Transactions	Reviewed and found consistent with Company's ordinary course of business. The pricing, rationale, and justification were examined. No prejudice to public shareholders' interest was noted
2	Details of the proposed transaction (FY2025-26)		
	Category	₹ in crore	
	Sale of Shrimp	40	
	Purchase of Shrimp	60	
	Total	100	
3	Tenure of the proposed transaction (tenure in number of years or months to be specified)	From 35 th AGM [the date of passing of this resolution] till the date of 36th AGM for a period not exceeding fifteen months	-
4	Indicative date / timeline for undertaking the transaction	On or after 35 th AGM [the date of passing of this resolution]	-
5	Whether omnibus approval is being sought?	Yes	
6	Value of the proposed transaction during a financial year. In case approval of the Audit Committee is sought for multi-year contracts, also provide the aggregate value of transactions during the tenure of the contract. If omnibus approval is being sought, the maximum value of a single transaction during a financial year.	₹ 100 crore* *From 35 th AGM [the date of passing of this resolution] till the date of 36th AGM for a period not exceeding fifteen months	-

S.No	Particulars of the Information	Information Provided by the Management	Comments of the Audit Committee
7	Whether the RPTs proposed to be entered into are: not prejudicial to the interest of public shareholders, and going to be carried out on the same terms and conditions as would be applicable to any party who is not a related part	Yes	Noted.
8	Provide a clear justification for entering into the RPT, demonstrating how the proposed RPT serves the best interests of the listed entity and its public shareholders	The proposed RPT with KAPL is in the best interests of Sharat Industries Limited and its public shareholders, as it enhances business efficiency, reduces operational risks, and strengthens the Company's long-term growth prospects. The transaction is fair, reasonable, and strategically aligned with the Company's core business objectives.	The Committee concurred that the transactions will enhance operational efficiency, mitigate risks, and are strategically aligned with the Company's business objectives.
9	Details of the promoter(s)/ director(s) / key managerial personnel (KMPs) of the listed entity who have interest in the transaction, whether directly or indirectly. The details shall be provided, where the shareholding or contribution or % sharing ratio of the promoter(s) or director(s) or KMP in the related party is more than 2%. Explanation: Indirect interest shall mean interest held through any person over which an individual has control including interest held through relatives	One of the Director Cum Promoter (Mrs. Sabbella Devaki Reddy- DIN : 02930336) of Katyayini Aquatech Private Limited is a relative of Key Managerial Personnel and Promoter of the Sharat Industries Limited ("Company"). Mrs. Devaki Reddy Sabbella promoter of Sharat Industries Limited holding 99% of shares in KAPL as on 31-03-2025.	Disclosure of interest noted. The interested promoter/ KMP did not participate in discussions/ approval.

S.No	Particulars of the Information	Information Provided by the Management	Comments of the Audit Committee
10	Details of shareholding (more than 2%) of the director(s) / key managerial personnel/ partner(s) of the related party, directly or indirectly, in the listed entity. Explanation: Indirect shareholding shall mean shareholding held through any person over which an individual has control including shareholding held through relatives	Mrs. Devaki Reddy Sabbella one of the Director cum promoter of KAPL holding 3.21 % share in Sharat Industries Limited and also a promoter in the Company.	
11	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee	-	-
12	Other information relevant for decision making	<p>The Audit Committee will review the transaction annually to ensure it remains within the limits approved by shareholders. Any material modifications, as defined under the Company's RPT Policy, will be placed for shareholder approval in line with Regulation 23(4) of the Listing Regulations</p> <p>Continuing these transaction with KAPL enhances business efficiency, reduces operational risks, and strengthens the Company's long-term growth prospects</p>	The Committee concurred that the transactions will enhance operational efficiency, mitigate risks, and are strategically aligned with the Company's business objectives
B(2) Additional details for proposed transactions relating to sale, purchase or supply of goods or services or any other similar business transaction			
13	Number of bidders / suppliers / vendors / traders / distributors / service providers from whom bids / quotations were received with respect to the proposed transaction along with details of process followed to obtain bids.	Not Applicable	Although no external bids were invited, the Committee satisfied itself that terms are fair and comparable to prevailing industry practices.

S.No	Particulars of the Information	Information Provided by the Management	Comments of the Audit Committee
14	Best bid / quotation received. If comparable bids are available, disclose the price and terms offered.		
15	Additional cost / potential loss to the listed entity or the subsidiary in transacting with the related party compared to the best bid / quotation received		
16	Where bids were not invited, the fact shall be disclosed along with the justification for the same		
17	Wherever comparable bids are not available, state what is basis to recommend to the Audit Committee that the terms of proposed RPT are beneficial to the shareholders	The proposed RPT with KAPL is in the best interests of Sharat Industries Limited and its public shareholders, as it enhances business efficiency, reduces operational risks, and strengthens the Company's long-term growth prospects. The transaction is fair, reasonable, and strategically aligned with the Company's core business objectives.	The Committee will conduct annual reviews to ensure transactions remain within approved limits and will place any material modifications before shareholders in line with Regulation 23 of LODR
B(3) Additional details for proposed transactions relating to any loans, inter-corporate deposits or advances given by the listed entity or its subsidiary - Not Applicable			
B(4) Additional details for proposed transactions relating to any investment made by the listed entity or its subsidiary - Not Applicable			
B(5) Additional details for proposed transactions relating to any guarantee (excluding performance guarantee), surety, indemnity or comfort letter, by whatever name called, made or given by the listed entity or its subsidiary - Not Applicable			
B(6) Additional details for proposed transactions relating to borrowings by the listed entity or its subsidiary - Not Applicable			
B(7) Additional details for proposed transactions relating to sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the listed entity, or disposal of shares of subsidiary or associate - Not Applicable			
B(8) Additional details for transactions relating to payment of royalty - Not Applicable			

Details of the proposed transactions with M/s. S P Enterprises (Partnership Firm) being a related party of the Company, including the minimum information pursuant to Clause 4 of the Standards read with SEBI circular no. SEBI/HO/CFD/ CFD-PoD-2/P/CIR/2025/18 dated February 14, 2025 and applicable provisions of the Companies Act, 2013, if any, and as placed before the Audit Committee for consideration while seeking prior approval of the proposed Material RPT(s), are provided below

S.No	Particulars of the Information	Information Provided by the Management	Comments of the Audit Committee
A.	Details of the related party and transactions with the related party		
A(1)	Basic details of the related party		
1	Name of the Related Party	S P Enterprises (Partnership Firm)	Reviewed and taken on record
2	Country of incorporation of the related party	India	
3	Nature of business of the related party	S P Enterprises is engaged in the business of Trading Feed and Shrimp.	
A (2)	Relationship and ownership of the related party		
4	Relationship between the listed entity/ subsidiary (in case of transaction involving the subsidiary) and the related party	Key Managerial Personnel of the Company are the partners of the firm.	Disclosure noted; relationship acknowledged.
5	Shareholding or contribution % or profit & loss sharing % of the listed entity/ subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party. Explanation: Indirect shareholding shall mean shareholding held through any person, over which the listed entity or subsidiary has control.	Your Company does not have any shareholding or contribution % or profit & loss sharing, whether direct or indirect, in the above related party.	Confirmed, no interest of Company.
6	Shareholding of the related party, whether direct or indirect, in the listed entity/ subsidiary (in case of transaction involving the subsidiary). Explanation: Indirect shareholding shall mean shareholding held through any person, over which the related party has control. While calculating indirect shareholding, shareholding held by relatives shall also be considered	S P Enterprises (Partnership firm) does not hold any shares directly or indirectly in the listed entity.	Confimed

S.No	Particulars of the Information	Information Provided by the Management			Comments of the Audit Committee
A (3)	Financial performance of the related party				
	Particulars	₹ in Lakhs FY 23-24	₹ in Lakhs FY 22-23	₹ in Lakhs FY 21-22	Disclosure and financial position of related party duly noted.
7	Standalone turnover of the related party for each of the last three financial years:	3252.53	2315.55	806.80	
8	Standalone net worth of the related party for each of the last three financial years	1380.22	1347.59	1290.34	
9	Standalone net profits of the related party for each of the last three financial years:	33.73	6.34	7.78	
A(4)	Details of previous transactions with the related party				
10	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during each of the last three financial years. Note: Details need to be disclosed separately for listed entity and its subsidiary	₹ in Lakhs FY 23-24	₹ in Lakhs FY 22-23	₹ in Lakhs FY 21-22	Noted, within earlier approved limits
	Sale of Goods, Purchase of Goods/ fixed assets/ raw materials/components/ parts Receiving & Rendering of Services and Other Transactions	3898.68	1862,00	1216.65	
11	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the current financial year (till the date of approval of the Audit Committee / shareholders)	Not applicable since the Company is taking annual approval at this AGM.			
12	Whether prior approval of Audit Committee has been taken for the abovementioned transactions?	Yes			

S.No	Particulars of the Information	Information Provided by the Management	Comments of the Audit Committee
13	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last three financial years	No	
A(5)	Amount of the proposed transactions (All types of transactions taken together)		
14	Total amount of all the proposed transactions being placed for approval in the current meeting.	₹ 75 crore	
15	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year is material RPT in terms of Para 1(1) of these Standards?	Yes	
16	Value of the Proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year	20%* * Seeking approval from 35 th AGM [the date of passing of this resolution] till the date of 36 th AGM for a period not exceeding fifteen months.	The Committee reviewed the quantum of proposed transactions and confirmed that they qualify as material RPTs. The terms are in the ordinary course of business and at arm's length. Accordingly, recommended for Board and shareholder approval
17	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary, and where the listed entity is not a party to the transaction)	Not Applicable	
18	Value of the proposed transactions as a percentage of the related party's annual standalone turnover for the immediately preceding financial year	231%	Noted

S.No	Particulars of the Information	Information Provided by the Management	Comments of the Audit Committee
B.	Details for specific transactions		
B (1)	Basic details of the proposed transaction(In case of multiple types of proposed transactions, details to be provided separately for each type of the proposed transaction – for example, (i) sale of goods and purchase of goods to be treated as separate transactions; (ii) sale of goods and sale of services to be treated as separate transactions; (iii) giving of loans and giving of guarantee to be treated as separate transactions)		
1.	Specific type of the proposed transaction (e.g. sale of goods/ services, purchase of goods/ services, giving loan, borrowing etc.)	Sale of Goods & Purchase of Goods/ fixed assets/ raw materials/ components/parts, Receiving & Rendering of Services and Other Transactions	Reviewed and found consistent with Company’s ordinary course of business. The pricing, rationale, and justification were examined. No prejudice to public shareholders’ interest was noted
2	Details of the proposed transaction (FY2025-26)		
	Category	₹ in crore	
	Sale of Shrimp	37	
	Purchase of Shrimp	38	
	Total	75	
3	Tenure of the proposed transaction (tenure in number of years or months to be specified)	From 35 th AGM [the date of passing of this resolution] till the date of 36 th AGM for a period not exceeding fifteen months	
4	Indicative date / timeline for undertaking the transaction	On or after 35 th AGM [the date of passing of this resolution]	
5	Whether omnibus approval is being sought?	Yes	
6	Value of the proposed transaction during a financial year. In case approval of the Audit Committee is sought for multi-year contracts, also provide the aggregate value of transactions during the tenure of the contract. If omnibus approval is being sought, the maximum value of a single transaction during a financial year.	₹ 75 Crore* *From 35 th AGM [the date of passing of this resolution] till the date of 36 th AGM for a period not exceeding fifteen months	

S.No	Particulars of the Information	Information Provided by the Management	Comments of the Audit Committee
7	Whether the RPTs proposed to be entered into are: not prejudicial to the interest of public shareholders, and going to be carried out on the same terms and conditions as would be applicable to any party who is not a related part	Yes	
8	Provide a clear justification for entering into the RPT, demonstrating how the proposed RPT serves the best interests of the listed entity and its public shareholders	The proposed RPT with SP Enterprised is in the best interests of Sharat Industries Limited and its public shareholders, as it enhances business efficiency, reduces operational risks, and strengthens the Company's long-term growth prospects. The transaction is fair, reasonable, and strategically aligned with the Company's core business objectives.	The Committee concurred that the transactions will enhance operational efficiency, mitigate risks, and are strategically aligned with the Company's business objectives
9	Details of the promoter(s)/ director(s) / key managerial personnel (KMPs) of the listed entity who have interest in the transaction, whether directly or indirectly. The details shall be provided, where the shareholding or contribution or % sharing ratio of the promoter(s) or director(s) or KMP in the related party is more than 2%. Explanation: Indirect interest shall mean interest held through any person over which an individual has control including interest held through relatives	Key Managerial Personnel of the Company are partners in the firm.	Noted.
10	Details of shareholding (more than 2%) of the director(s) / key managerial personnel/ partner(s) of the related party, directly or indirectly, in the listed entity. Explanation: Indirect shareholding shall mean shareholding held through any person over which an individual has control including shareholding held through relatives	Partners of the Firm are the promoters of the Sharat Industries Limited holding 40.58 % in the listed entity.	Disclosure of interest noted. The interested promoter/KMP did not participate in discussions/approva

S.No	Particulars of the Information	Information Provided by the Management	Comments of the Audit Committee
11	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee	-	-
12	Other information relevant for decision making	<p>The Audit Committee will review the transaction annually to ensure it remains within the limits approved by shareholders. Any material modifications, as defined under the Company's RPT Policy, will be placed for shareholder approval in line with Regulation 23(4) of the Listing Regulations</p> <p>Continuing these transaction with S P Enterprises enhances business efficiency, reduces operational risks, and strengthens the Company's long-term growth prospects</p>	
B(2)	Additional details for proposed transactions relating to sale, purchase or supply of goods or services or any other similar business transaction		
13	Number of bidders / suppliers / vendors / traders / distributors / service providers from whom bids / quotations were received with respect to the proposed transaction along with details of process followed to obtain bids.	Not Applicable	Although no external bids were invited, the Committee satisfied itself that terms are fair and comparable to prevailing industry practices
14	Best bid / quotation received. If comparable bids are available, disclose the price and terms offered.		
15	Additional cost / potential loss to the listed entity or the subsidiary in transacting with the related party compared to the best bid / quotation received.		
16	Where bids were not invited, the fact shall be disclosed along with the justification for the same		

S.No	Particulars of the Information	Information Provided by the Management	Comments of the Audit Committee
17	Wherever comparable bids are not available, state what is basis to recommend to the Audit Committee that the terms of proposed RPT are beneficial to the shareholders	The proposed RPT with S P Enterprises is in the best interests of Sharat Industries Limited and its public shareholders, as it enhances business efficiency, reduces operational risks, and strengthens the Company's long-term growth prospects. The transaction is fair, reasonable, and strategically aligned with the Company's core business objectives.	The Committee will conduct annual reviews to ensure transactions remain within approved limits and will place any material modifications before shareholders in line with Regulation 23 of LODR.
B(3)	Additional details for proposed transactions relating to any loans, inter-corporate deposits or advances given by the listed entity or its subsidiary - Not Applicable		
B(4)	Additional details for proposed transactions relating to any investment made by the listed entity or its subsidiary - Not Applicable		
B(5)	Additional details for proposed transactions relating to any guarantee (excluding performance guarantee), surety, indemnity or comfort letter, by whatever name called, made or given by the listed entity or its subsidiary - Not Applicable		
B(6)	Additional details for proposed transactions relating to borrowings by the listed entity or its subsidiary - Not Applicable		
B(7)	Additional details for proposed transactions relating to sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the listed entity, or disposal of shares of subsidiary or associate - Not Applicable		
B(8)	Additional details for transactions relating to payment of royalty - Not Applicable		

PARTICULARS AND ADDITIONAL INFORMATION OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT PURSUANT TO REGULATION 36(3) OF THE LISTING REGULATION AND IN TERMS OF SECRETARIAL STANDARDS ON THE GENERAL MEETINGS (SS-2):

Particulars	Details			
Name of Director	Mr. Shanmugam	Mr. Harihar Venkata Muthyam	Mr. Prasad Reddy Sabbella	Mr. Sharat Reddy Sabbella
Nationality	Indian	Indian	Indian	Indian
Category and Designation	Director	Independent Director	Managing Director	Whole-Time Director
DIN	08877587	08160011	00069094	02929724
Age	56	34	69	35

Educational Qualification	Bachelor Degree in Commerce from Delhi University	Bachelore Degree in Information Technology	Postgraduate in Sociology from Jamia Millia Islamia, Delhi	Masters in Industrial Engineering and operations research from Pennsylvania State University (UAS)
Experience, Skill & Expertise	He has experience of 20 plus years in the area of customs. His expertise in Management and Administrative	Major experience as Risk Analyst, Business Management, Business Strategy and Corporate Planning.	General Management & Administration	Expertise across operations, finance, marketing.
Directorships held in other companies and excluding foreign companies as of the date of this Notice.	Nil	Fourier Service Private Limited	Nil	United Aquatech Private Limited
Memberships/ Chairmanships of Committees across companies	Nil	Nil	Nil	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Nil	Nil	Father of Mr. Sharat Reddy Sabbella, Whole Time Director of the Company.	Son of Mr. Prasad Reddy Sabbella, Managing Director of the Company.
Shareholding (%) in the Company, including shareholding as a beneficial owner.	Nil	Nil	72,97,641 (18.50 %) as on 30th June 2025	87,50,000 (22.18%) as on 30th June 2025.
Remuneration Last Drawn	Nil	Nil	₹ 6.00 Lakhs Per Month	₹ 5.00 Lakhs Per Month

Terms and Conditions of appointment	Pursuant to appointment as Director, his office of Directorship is liable to retire by rotation.	Appointment as Independent Director with effect from 28 th September 2025 to 27 th September 2030 [Refer Item No. 4 of the Notice and Explanatory Statement]	Re-appointment as Managing Director with effect from 01 st April 2026 to 31 st March 2031 [Refer Item No. 5 of the Notice and Explanatory Statement]	Re-appointment as Whole-Time Director with effect from 01 st April 2026 to 31 st March 2031 [Refer Item No. 6 of the Notice and Explanatory Statement]
Number of Board Meeting attended for the year 2024-2025	5 (Five) meetings attended during the financial year 2024-2025 out of 7 (Seven) meetings held / conducted	5 (Five) meetings attended during the financial year 2024-2025 out of 7 (Seven) meetings held / conducted	6 (Six) meetings attended during the financial year 2024-2025 out of 7 (Seven) meetings held / conducted	7 (Seven) meetings attended during the financial year 2024-2025 out of 7 (Seven) meetings held / conducted
Name of the listed entities from which the director has resigned in the past three years	Nil	Nil	Nil	Nil

By order of the Board of Directors

For **SHARAT INDUSTRIES LIMITED**

N. GANESAN

COMPANY SECRETARY & COMPLIANCE OFFICER

M. NO: A8407

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- <https://www.shrimpinsights.com/byte/eu-shrimp-import-volume-recovers-does-not-set-new-records>

Contact Us



Phone

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