



JEYA RAJA SINGH . A
B.Com.(Hons.), LL.B., F.C.S.
Practising Company Secretary
M.No. F 8199 C.P.No. 9118

No: 4N, Prof. Subramani Street,
Kilpauk, Chennai - 600 010
Mobile : 94431 22084
Email: cs.jeyaraja@gmail.com

COMPLIANCE CERTIFICATE

(Pursuant to Regulation 163(2), Part III of Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018 including any amendment/modification thereof)

To

The Board of Directors

SHARAT INDUSTRIES LIMITED

Venkannapalem Village, T.P Gudur Mandal

Nellore, Andhra Pradesh 524002

I, CS. Jeya Raja Singh Amalorepava, Practising Company Secretary, have been appointed by Sharat Industries Limited (hereinafter referred to as 'the Company'), having (CIN: L05005AP1990PLC011276) and having its Registered office at Venkannapalem Village, T.P Gudur Mandal, Nellore District, Andhra Pradesh 524002 to issue this Compliance Certificate in accordance with Regulation 163(2) of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (hereinafter referred to as "Regulations").

The shareholders of the Company, at their Extra-ordinary General meeting held on 8th December 2021, had approved the allotment of 19,00,000 warrants, convertible into equal number of Equity shares at a price of Rs. 50/- per warrant/ equity share by way of a preferential issue.

The said allotment of warrants was made by the Company on 11th January 2022.

The Company then allotted 19,00,000 Equity Shares on 31st January 2022, on conversion of the said warrants.

As the warrants were allotted after 15 days from the date of passing special resolution by the shareholders, the Company is approaching its shareholders for a fresh approval at a Revised Price based on a new Relevant Date of 13th January 2023, as required under Regulation 170(2) of the Regulations.

Since the Equity Shares of the Company were infrequently traded during the 240 trading days prior to the new Relevant Date of 13th January 2023, the Revised Price is being determined based on a Valuation Report by an Independent Registered Valuer as required under Regulation 165 of the Regulations.

Accordingly, the price payable for 19,00,000 Equity Shares of Rs.10/- each allotted on 31st January 2022 has been revised from Rs.50/- per equity share to Rs.60/- per equity share, as approved at the Meeting of the Board of Directors of the Company held on 14th January, 2023.



On the basis of the relevant management inquiries, necessary representations and information received from/ furnished by the management of the Company, as required under the aforesaid Regulations, I have verified that the revision in the price of 19,00,000 equity shares allotted on 31st January 2022 (by way of conversion of warrants allotted through a preferential issue) is being made in accordance with the requirements of these Regulations as more specifically, the following:

- i. Memorandum of Association and Articles of Association of the Company;
- ii. The Present capital structure including the details of the Authorised, Subscribed, Issued and Paid-up share capital of the Company along with the shareholding pattern;
- iii. Resolutions passed at the meeting of the Board of Directors;
- iv. List of Allottees;
- v. The fresh relevant date in accordance with Regulation 170(2) of the Regulations.
- vi. The statutory registers of the Company and List of shareholders issued by RTA:
 - a. to note that the equity shares are fully paid up.
 - b. all equity shares held by the proposed allottees in the Company are in dematerialised form.
- vii. Disclosures under the SEBI (Prohibition of Insider Trading) Regulations, 2015 & the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, if any, made by proposed allottees during the 90 trading days preceding the Relevant Date;
- viii. Details of buying, selling and dealing, if any, in the Equity Shares of the Company by the Allottees during the 90 trading days preceding the Relevant Date;
- ix. Permanent Account Numbers of the Allottees;
- x. Draft notice of the Extra Ordinary General Meeting and Explanatory Statement:
 - a. to verify the disclosure in Explanatory Statement as required under Companies Act, 2013 & the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 163(1) of the Regulations.
 - b. to verify the lock-in period as required under Regulation 167 of the Regulations
 - c. to verify the terms for payment of the differential amount arising out of the revision in price as required under Regulation 169 of the Regulations.



