



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

SIL/BSE/3/2020-2021/3

26.06.2020

To
The Secretary,
Bombay Stock Exchange,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001.

Dear Sir,

Sub: Disclosure of Audited financial results for the quarter and year ended 31.3.2020

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,
Please find enclosed herewith

- (i) Audited Financial Results for the quarter and year ended 31st March 2020
- (ii) Statement of Assets and liabilities statement for the period ended 31st March 2020
- (iii) Cashflow statement for the period ended 31st March 2020
- (iv) Auditors report for the quarter and year ended 31st March 2020
- (v) Declaration pursuant to SEBI CIRCULAR No. CIR/ CFD/CMD/56/2016 dated 27th May 2016.

We request to take note of the same and kindly acknowledge the receipt.

*Thanking you,
For Sharat Industries Limited*


C. Rubavathy

Company Secretary and Compliance Officer



SHARAT INDUSTRIES LIMITED

CIN: L05005AP1990PLC011276

Regd Office: Venkannapalem Village, T.P.Gudur Mandal, Nellore District, AP Pin 524002

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31 ST MARTCH 2020

Rupee in Lakhs

Sr No	Particulars	Quarter Ended			Year Ended	
		31-Mar-20	31-Dec-19	31-Mar-19	31-Mar-20	31-Mar-19
		Audited	Unaudited	Audited	Audited	Audited
1	Revenue from Operations					
	(a)Revenue from operations	4,711.98	4,731.37	7,216.22	19,999.24	19,442.74
	(b)Other income	32.01	48.91	5.86	170.88	123.17
2	Total Income(a+b)	4,743.98	4,780.28	7,222.08	20,170.11	19,565.91
3	Expenses					
	(a)Cost of materials consumed	2,845.69	3,981.99	5,113.42	15,683.85	15,370.43
	(b)Purchase of stock-in-trade					
	(c)Changes in inventoriesof finished goods, work-in-progress and stock-in-trade	548.11	(586.35)	358.00	(1,168.23)	(959.08)
	(d)Employee benefits expenses	255.75	248.34	244.37	1,006.03	876.54
	(e)Finance Costs	173.46	185.96	125.97	732.43	561.58
	(f)Depreciation and amortisation expense	79.39	86.37	97.70	338.88	326.38
	(g)Other expense	841.24	807.19	1,038.12	3,318.45	3,035.46
	Total Expenses	4,743.63	4,723.50	6,977.59	19,911.41	19,211.32
4	Profit before tax (3-4)	0.35	56.78	244.50	258.71	354.60
5	Tax Expenses					
	(a)Current tax	(23.99)	14.76	52.51	43.18	74.87
	(b) Mat Credit Entitlement	24.15			24.15	11.99
	(c)Deferred tax charge/ (credit)	14.26		(22.32)	14.26	(22.32)
6	Profit for the period (4-5)	(14.07)	42.02	214.31	177.11	290.06
7	Other Comprehensive income					
	Items that will not be reclassified to profit or loss (Net of Income Tax)	3.46	(0.13)	(0.19)	3.07	(0.52)
	(i)Items that will not be reclassified to profit or loss	3.46	(0.13)	(0.19)	3.07	(0.52)
	(ii)Income tax relating to items that will not be reclassified to profit or loss					
8	Total other comprehensive income, net of income tax	3.46	(0.13)	(0.19)	3.07	(0.52)
9	Total comprehensive income (7+8)	(10.62)	41.89	214.12	180.18	289.54
10	Paid-up equity share capital (Face value Rs.10 each)	2201.25	2201.25	2201.25	2201.25	2201.25
11	Earnings per share Face value of Rs. 10 each (not annualised):					
	(a)Basic (Rs.)	(0.05)	0.19	0.97	0.82	1.32
	(b)Diluted (Rs.)	(0.05)	0.19	0.97	0.82	1.32
	See accompanying notes to the Financial Results					

Notes to the Statement of Audited Financial Results-

- The company is primarily engaged in the business of 'Aqua Culture' which is single segment for assessing its performance.
- The above financial results have been reviewed by the audit committee and thereafter approved and taken on record by the Board of Directors in their respective meetings held on 26.06.2020.
The above is an extract of the detailed format of Quarter and year ended 31.3.2020, Financial Results filed with the Stock Exchanges under Regulation of the SEBI(Listing and Other Disclosure Requirements) Regulations, 2015 read with SEBI circular 5th July,2016 .The full format of the Quarterly and year ended 31.3.2020, Financial Results are available on the websites of the Stock Exchange(s) BSE Limited (www.bseindia.com)
The Company continues to manufacture and supply Shrimp aquaculture products, being considered as essential items, in the current unprecedented COVID-19 pandemic. The outbreak of COVID-19 pandemic and the resulting lockdown across the world has affected the Company's operations for the quarter / year ended March 31, 2020. Accordingly, the Company has considered the possible effects that may result from the pandemic on the carrying amounts of property, plant and equipment, investments, inventories, receivables and other current assets. The Company has evaluated its liquidity position, recoverability of such assets and based on current estimates expects the carrying amount of these assets will be recovered. The Company has estimated its liabilities in line with the current situation. The Company has considered internal and external information upto the date of approval of these financial results. The impact of COVID-19 on the Company's financial results may differ from that estimated as at the date of approval of these financial results. The Company will continue to closely monitor any material changes to future economic conditions. The impact on our future business would depend on future developments that cannot be reliably predicted at this stage.
- The figures for the Quarter ended March 2020 and 31 March 2019 are balancing figures between the audited figures in respect of full financial year and the published year-to-date figure upto 3rd quarter of the respective financial year. Also the figures upto the end of the third quarter had only been reviewed and not subject to audit.
- This Statement is as per regulation 33 of SEBI (Listing Obligation and Disclosure Requirement), 2015
- Previous period's figures have been regrouped / reclassified wherever necessary to correspond with the current period 's classification / disclosure.



For Sharat Industries Limited

S.Prasad Reddy
Managing DirectorPlace : Nellore
Date: 26 June 2020

SHARAT INDUSTRIES LIMITED

CIN: L05005AP1990PLC011276

Regd Office: Venkannapalem Village, T.P.Gudur Mandal, Nellore District, AP Pin 524002

STATEMENT OF ASSETS AND LIABILITIES AS AT 31 MARCH 2020

Rupee in Lakhs

Particulars	As At Mar 31, 2020	As At Mar 31, 2019
I ASSETS		
(1) Non-Current Assets		
(a) Property, Plant & Equipment	4,160.36	4,328.30
(b) Capital Work in Progress	157.29	26.99
(c) Intangible Assets	3.49	4.79
(d) Intangible Assets under Development	-	-
(e) Financial Assets	131.43	139.53
(e) Deferred Tax Asset	-	-
(g) Other Non-Current Assets	-	-
Total Non-Current Assets	4,452.57	4,499.61
(2) Current Assets		
(a) Inventories	5,391.14	4,079.10
(b) Financial Assets		
(i) Investments	-	-
(ii) Trade Receivables	4,403.18	4,171.40
(iii) Cash and Cash Equivalents	108.21	153.66
(iv) Bank Balances Other than (iii) above	221.93	471.19
(v) Others	224.78	472.76
(c) Other Current Assets	396.31	358.86
Total Current Assets	10,745.55	9,706.97
TOTAL ASSETS	15,198.12	14,206.58
II EQUITY & LIABILITIES		
(1) Equity		
(a) Equity Share Capital	2,201.25	2,201.25
(b) Other Equity	3,280.69	3,100.51
Total Equity	5,481.94	5,301.76
(2) Non-Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	787.67	828.49
(ii) Other Financial liabilities[other than those specified in (b) below]	647.98	635.92
(iii) Trade Payables	254.89	247.32
(b) Provisions	18.44	19.67
(c) Deferred Tax Liabilities (Net)	43.51	3.92
Total Non-Current Liabilities	1,752.49	1,735.31
(3) Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	4,761.30	4,466.37
(ii) Trade Payables	2,410.73	1,970.63
(iii) Other Financial liabilities[Other than those specified in (c) below]	218.15	217.10
(b) Other Current Liabilities	24.94	18.42
(c) Provisions	548.57	496.99
Total Current Liabilities	7,963.69	7,169.50
TOTAL EQUITY & LIABILITIES	15,198.12	14,206.58

For Sharat Industries Limited

Place : Nellore
Date: 26 June 2020



S.Prasad Reddy
Managing Director

SHARAT INDUSTRIES LIMITED

CIN: L05005AP1990PLC011276

Regd Office: Venkannapalem Village, T.P.Gudur Mandal, Nellore District, AP Pin 524002

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31 ST MARCH 2020

Rupee in Lakhs

S.No	Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
A.	<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
	Net Profit / (Loss) Before Extraordinary Items and Tax	258.71	354.60
	Adjustments for:		
	Depreciation and impairment of Property, plant and equipment	338.88	326.38
	Finance Costs	732.43	561.58
	Gratuity	4.68	4.52
	(Profit)/Loss on Sale of Vehicle	0.61	(1.69)
	Interest Income	(29.49)	(35.81)
	Creditors no Longer Payable	(4.87)	0.00
	Provision for Bad and Doubtful Debts	114.16	0.00
	Capital Subsidy	0.00	(4.28)
	Operating Profit/(Loss) Before Working Capital Changes	1415.12	1205.29
	Changes in Working Capital:		
	Adjustment for (Increase) / Decrease in Operating Assets		
	Inventories	(1312.04)	(570.49)
	Trade Receivables	(345.94)	(1859.66)
	Short term Loans and Advances	210.52	(59.11)
	Bank Balances Other than cash & Cash Equivalents	249.26	(83.72)
	Others		
	Adjustment for Increase / (Decrease) in Operating Liabilities		
	Trade Payables	444.98	849.60
	Other Current Liabilities	6.52	(27.12)
	Long Term Provisions	(1.66)	0.30
	Short Term Provisions	83.27	235.65
	Cash generated from operations	750.02	(309.27)
	Cash outflow due to Exceptional Items		
B.	Cash generated from operations	750.02	(309.27)
	Net Income Tax (Paid)/Refund	(74.87)	(31.95)
	NET CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES - A	675.16	(341.21)
	<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
	Capital Expenditure on Fixed Assets	(154.33)	(971.51)
	Decrease / (Increase) in Capital Work in Progress	(147.22)	39.67
	Proceeds from Sale of Fixed Assets	1.00	31.40
	Long Term Loans and Advances	8.10	(3.85)
	Interest Received	29.49	35.81
	NET CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES - B	(262.97)	(868.48)
C.	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>		
	Proceeds / (Repayment) from / of Long Term Borrowings	(28.76)	535.12
	Current Maturities of Long term Debt	1.05	212.28
	Other Short term Borrowings	294.94	1076.18
	Trade Payables	7.57	0.00
	Finance Costs	(732.43)	(561.58)
	NET CASH FROM / (USED IN) FINANCING ACTIVITIES - C	(457.63)	1262.01
0	Net Increase/(Decrease) in Cash and Cash Equivalents (A + B + C)	(45.45)	52.32
	Cash and Cash Equivalents at the beginning of the year	153.66	101.34
	Cash and Cash Equivalents at the end of the year	108.21	153.66
	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	2.00	5.36
	Balance with Banks		
	- in Current Accounts	106.22	148.30
	- in Deposit Accounts		
		108.21	153.66

For Sharat Industries Limited

Place : Nellore
Date : 26-06-2020

S. Prasad Reddy
S.Prasad Reddy
Managing Director



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

Date 26.06.2020

Corporate Relationship Department,
BSE Limited,
Floor 25, P.J. Towers,
Dalal street,
Mumbai – 400 001,

Dear Sir,

Sub: Declaration Pursuant to Regulation 33(3) ((1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for Unmodified Opinion.

Ref : Scrip Code: 519397

I, S. Prasad Reddy, Managing Director of M/s. Sharat Industries Limited having its Registered office at Venkannapalem Village T.P.gudur mandal SPSR Nellore District Andhra Pradesh hereby declare that, the M/s. AR. Krishnan and Associates, Chartered Accountants, Statutory Auditors of the company, have issued an Audit Report with Unmodified Opinion on Standalone Audited Financial Results for the Quarter and Year Ended 31st March, 2020.

This Declaration is issued in compliance of Regulation 33(3)(d) of the SEBI (LODR) Regulations 2015 as amended Vide its circular no CIR/CFD/CMD56/2016 dated 27th May, 2016.

Thanking you

Yours faithfully

For Sharat Industries Ltd

S. Prasad Reddy

Managing director



**INDEPENDENT AUDITORS' REPORT
TO THE BOARD OF DIRECTORS OF SHARAT INDUSTRIES LIMITED**

Report on the audit of the Annual Financial Results

Opinion

We have audited the accompanying annual financial results of SHARAT INDUSTRIES LIMITED (hereinafter referred to as the "Company") for the year ended 31 March 2020, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid annual financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended 31 March 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Results section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion on the annual financial results.

Emphasis of Matter

We draw attention to Note 4 in the financial results, which describes the management's assessment of the impact of uncertainties related to COVID 19 and its consequential effects on the business operations of the Company. Our opinion is not modified in respect of this matter.



Management's and Board of Directors' Responsibilities for the Annual Financial Results

These annual financial results have been prepared on the basis of the annual financial statements. The Company's Management and the Board of Directors are responsible for the preparation and presentation of these annual financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the annual financial results, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial results.

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



- Identify and assess the risks of material misstatement of the annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (1) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial results, including the disclosures, and whether the annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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

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



AUDIT | TAXATION | CONSULTING | COMPLIANCE

Other Matter

The annual financial results include the results for the quarter ended 31 March 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

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



A. Senthil Kumar

(A.Senthil Kumar)

Partner

Membership No.: 214611

UDIN : 20214611AAAACW6560

Place: Chennai

Date : 26th June , 2020