

SHARP CHUCKS AND MACHINES LIMITED

GSTIN :03AACCS0690M1ZB
CIN: U27106PB1994PLC014701

Formerly SHARP CHUCKS AND MACHINES PVT.LTD.
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CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF SHARP CHUCKS AND MACHINES LIMITED ITS MEETING HELD ON 28TH DAY, MARCH, 2023 AT 12.00 P.M. AT ITS REGISTERED OFFICE AT A-12, INDUSTRIAL DEVELOPMENT COLONY JALANDHAR PUNJAB 144012

Item No 1.

APPOINTMENT OF LEGAL COUNSELS TO THE INITIAL PUBLIC OFFERING:

“RESOLVED THAT for the purpose of giving effect to the proposed initial public offering (“Offer”) and in terms of the Companies Act, 2013 the rules made thereunder, as amended, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”), the Board of Directors hereby appoints M/s MVKINI & Co. Advocate, Solicitors, legal counsel to the Company as to Indian law.

RESOLVED FURTHER THAT Mr. Ajay Sikka, [Managing Director] and Mrs Gopika Sikka, [Whole Time Director], be and they are authorized jointly and severally to do all such acts, deeds, matters and things and execute all engagement letters, memorandum of understanding, agreements and such other documents, as they may, in their absolute discretion, deem necessary or desirable for such purpose.

RESOLVED FURTHER THAT a copy of the above resolution, certified to be true by any Director, be forwarded to concerned authorities for necessary actions.”

Item No.2

APPROVAL OF ENGAGEMENT/ FEE LETTERS WITH THE LEAD MANAGER (LM):

“RESOLVED THAT the drafts of the engagement/ fee letter(s) to be executed by the Company with the Fedex Securities Private Limited (“LM”), in terms of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, tabled before the Board, containing the requisite terms as agreed between the parties, is hereby approved.”

“RESOLVED FURTHER THAT, Mr. Ajay Sikka , [Managing Director] and Mrs Gopika Sikka [Whole Time Director], be and are hereby severally and jointly authorised to negotiate, finalize and execute the engagement/ fee letters and do all such acts, deeds, matters and things as deemed necessary, proper or desirable, and to settle or give instructions and directions for settling any questions, difficulties or doubts that may arise in this regard and to give effect to such modifications, changes, variations, alterations, deletions or additions as may be deemed fit and proper in the best interests of the Company.”

“RESOLVED FURTHER THAT a copy of the above resolution, certified to be true by any Director, be forwarded to concerned authorities for necessary actions.”



MANUFACTURERS & EXPORTERS OF
“SHARP” PRECISION SELF CENTERING LATHE CHUCKS, DRILL CHUCKS,
INDEPENDENT CHUCKS & CUSTOMISED CASTING

Item No.3.

APPROVAL OF CORPORATE POLICIES

“RESOLVED THAT consent of the Board of the Company be and is hereby accorded to approve the following draft policies placed before the Board:

- A. Related Party Transaction Policy
- B. Policy for Preservation of documents and Archival Policy
- C. Insider Trading policy
- D. Code for Fair Disclosures
- E. Determination of Materiality Policy
- F. Familiarisation Programme for Independent Directors
- G. Board Performance Evaluation Policy
- H. Code of Conduct
- I. Code of Ethics
- J. Code of Conduct and Appointment Independent Directors

RESOLVED FURTHER THAT the above mentioned polices shall be reviewed annually by the Board.

RESOLVED FURTHER THAT any Directors of the Company be and is hereby authorized to do all such things, deeds and acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Item No.4.

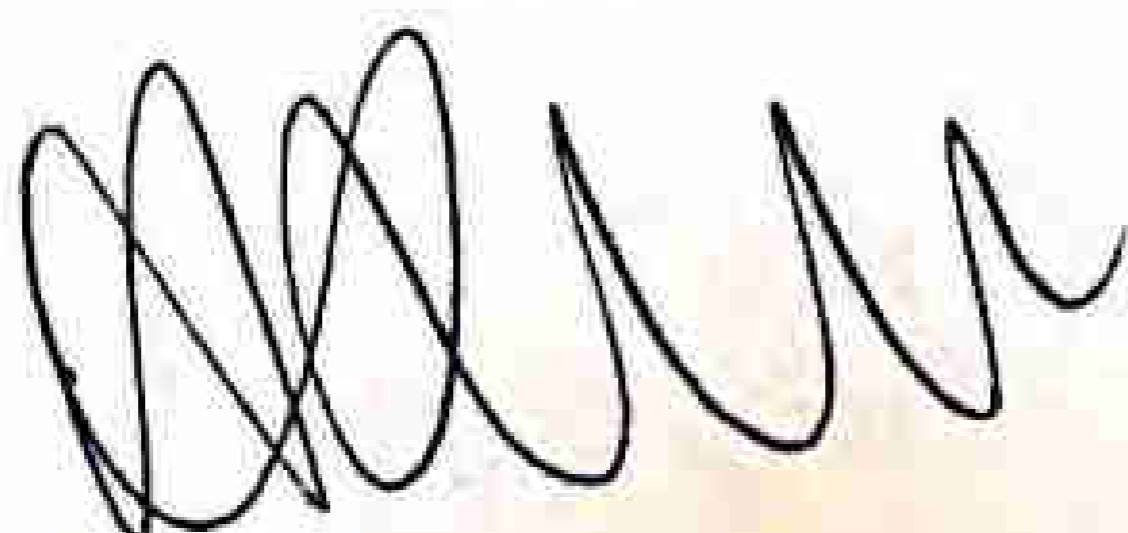
CONSTITUTION OF AUDIT COMMITTEE

“RESOLVED THAT pursuant to section 177 of the Companies Act, 2013 and rules 6 of the Companies (Meeting of Board and its Powers) Rules, 2014 and in view of the Compliance of the Corporate Governance Provisions and proposed applicable provisions of the SEBI Listing Regulations, consent of the Board be and is hereby accorded to constitute the Audit Committee consisting of following subject to the appointment of the independent directors in the ensuing general meeting:-

Name	Status in Committee
1.Mr Manmohan Puri	Chairman
2.Mr Suraj Singhal	Member
3.Mr.Rahul Sharma	Member

RESOLVED FURTHER that the Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

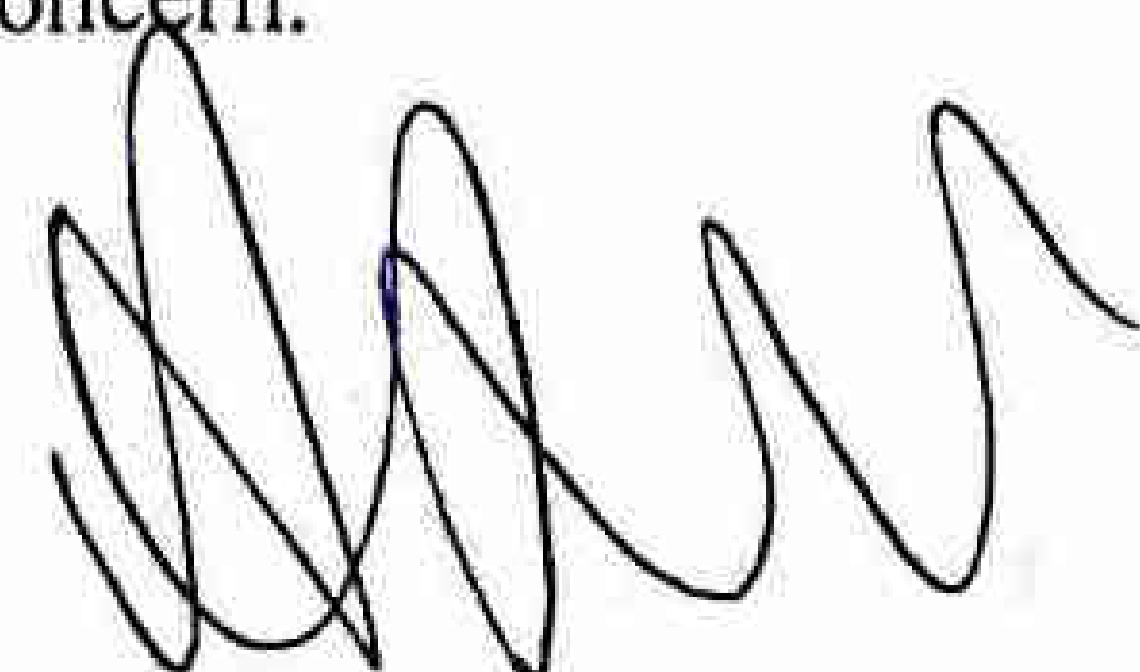
RESOLVED FURTHER THAT the scope and function of the Audit Committee is in accordance with section 177 of the Companies Act. The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, shall be binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the



shareholders. The Chairman of the Audit committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

RESOLVED FURTHER THAT the terms of reference of the Audit Committee are as under:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors
- Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions;
 - modified opinion(s) in the draft audit report;
- Reviewing, with the management, the half yearly financial statements before submission to the board for approval.
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/Draft Prospectus/ Prospectus /notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Review and monitor the auditor's independence, performance and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors any significant findings and follow up there on.
- The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.



- The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act 2013 or referred to it by the Board.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- To review the functioning of the whistle blower mechanism;
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- To oversee and review the functioning of the vigil mechanism which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases.
- Audit Committee will facilitate KMP/auditor(s) of the Company to be heard in its meetings.
- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- To investigate any other matters referred to by the Board of Directors;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee or containing into SEBI Listing Regulations 2015.
- Further the Audit Committee shall mandatorily review the following information:
 - Management discussion and analysis of financial information and results of operations;
 - Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
 - Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - Internal audit reports relating to internal control weaknesses; and
 - The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.
- Statement of deviations:
 - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7)

RESOLVED FURTHER THAT Mr. Rajat Kathpalia, Company Secretary of the Company act as the Secretary for the Audit Committee.

Item No.5

TO CONSTITUTE NOMINATION/REMUNERATION COMMITTEE

“RESOLVED THAT pursuant to section 178 of the Companies Act, 2013 Schedule V and rules 6 of the Companies (Meeting of Board and its Powers) Rules, 2014 and in view of the Compliance of the Corporate Governance Provisions and proposed applicable provisions of the SEBI Listing Regulations, consent of the Board be and is hereby accorded to constitute the Nomination and Remuneration

Committee consisting of following subject to the appointment of the independent directors in the ensuing general meeting:-:-

"RESOLVED THAT a Committee of the Board of Directors to be called as the "Nomination/Remuneration Committee" be and is hereby constituted / formed comprising the following

Name	Status in Committee
1.Mr Manmohan Puri	Chairman
2.Mr Suraj Singhal	Member
3.Mr.Rahul Sharma	Member

RESOLVED FURTHER that the Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

RESOLVED FURTHER that the nomination and remuneration committee shall meet at least once in a year. The quorum for a meeting of the nomination and remuneration committee shall be either two members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance.

RESOLVED FURTHER that the Chairperson of the Nomination and Remuneration committee may be present at the annual general meeting, to answer the shareholders queries; however, it shall be up to the chairperson to decide who shall answer the queries.

RESOLVED FURTHER that Nomination and Remuneration Policy placed before the Board be and is hereby approved;

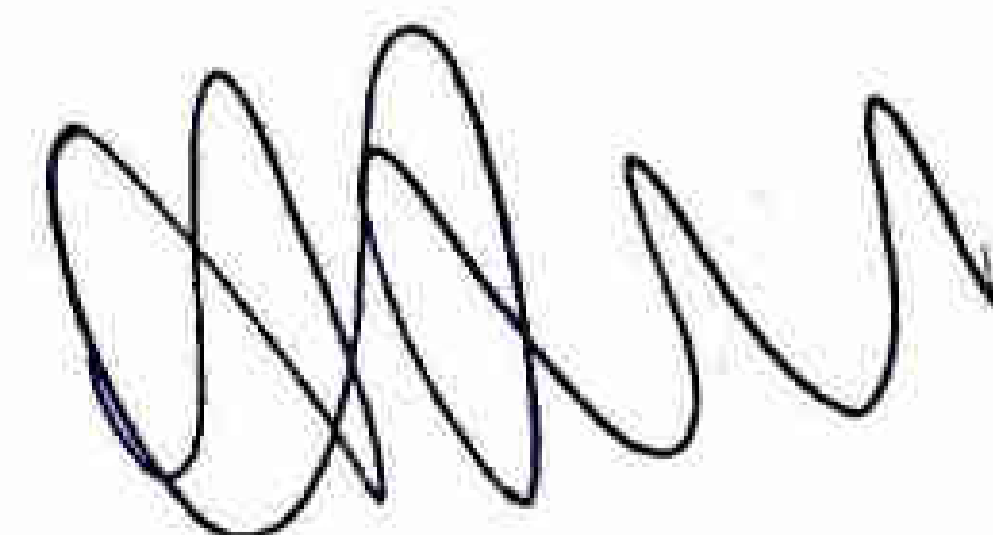
RESOLVED FURTHER that the terms of reference of the "Nomination/Remuneration Committee" are as under:

Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;

Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the level and composition of remuneration of the directors, key managerial personnel and other employees;

For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description.

For the purpose of identifying suitable candidates, the Committee may:



- a. use the services of an external agencies, if required;
- b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
- c. consider the time commitments of the candidates.

Formulation of criteria for evaluation of independent directors and the Board;

Devising a policy on Board diversity; and

Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors

Determine our Company's policy on specific remuneration package for the Managing Director /

Executive Director including pension rights;

Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.

Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

Decide the amount of Commission payable to the Whole Time Directors;

Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc; and

To formulate and administer the Employee Stock Option Scheme.

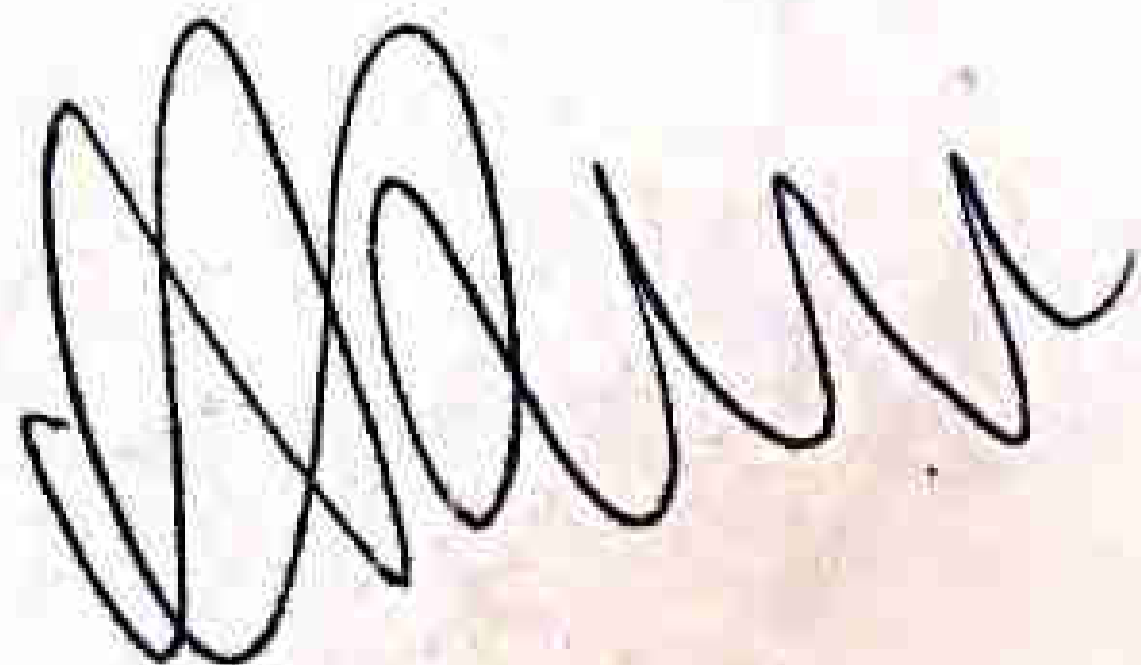
recommend to the board, all remuneration, in whatever form, payable to senior management.

RESOLVED FURTHER THAT Mr. Rajat Kathpalia, Company Secretary of the Company act as the Secretary for the Remuneration/Nomination Committee."

Item no.6

To Constitute Stakeholder's Relationship Committee

"RESOLVED THAT pursuant to section 178(5) of the Companies Act, 2013 and rules 6 of the Companies (Meeting of Board and its Powers) Rules, 2014 and in view of the Compliance of the Corporate Governance Provisions and proposed applicable provisions of the SEBI Listing Regulations, consent of the Board be and is hereby accorded to constitute the Nomination and Remuneration Committee consisting of following subject to the appointment of the independent directors in the ensuing general meeting:- :-



"RESOLVED THAT a Committee of the Board of Directors to be called as the "Stakeholder's Relationship Committee" be and is hereby constituted / formed comprising of the following:-

Name	Status in Committee
1.Mr Rahul Sharma	Chairman
2.Mrs Gopika Sikka	Member
3.Mr Manmohan Puri	Member

RESOLVED FURTHER THAT the Stakeholders Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholders Relationship Committee as approved by the Board.

RESOLVED FURTHER THAT the Stakeholders Relationship Committee shall meet at least four times a year with maximum interval of four months between two meetings and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum shall be two members present.

RESOLVED FURTHER THAT the terms of reference of the Stakeholder's Relationship Committee are as under:

Redressal of shareholders' and investors' complaints, including and in respect of:

Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized.

Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;

Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.

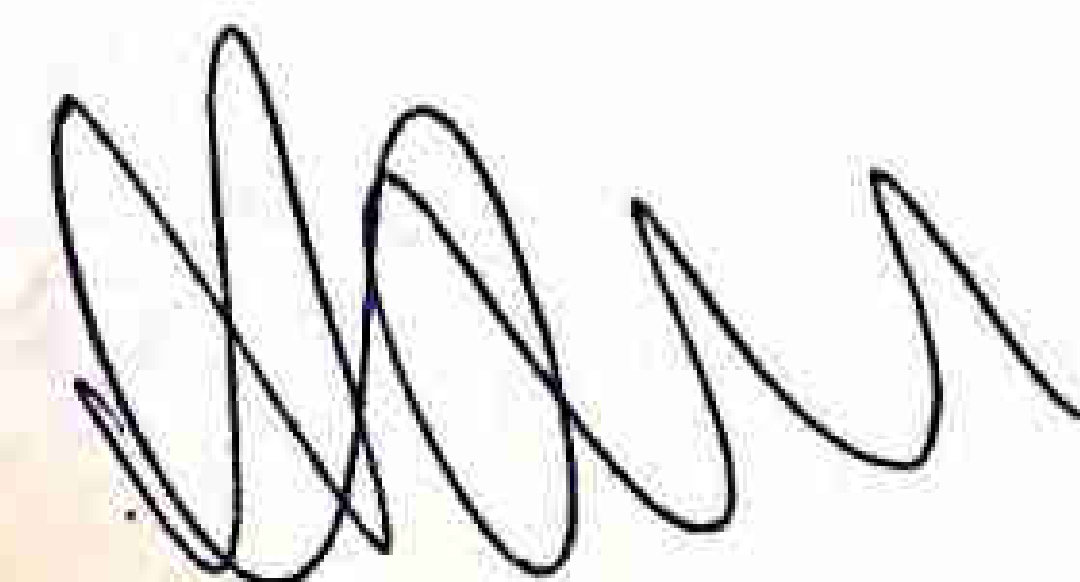
Review the process and mechanism of redressal of Shareholders' /Investor's grievance and suggest measures of improving the system of redressal of Shareholders' /Investors' grievances.

Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;

Reviewing on a periodic basis the approval/refusal of transfer or transmission of shares, debentures or any other securities;

Issue of duplicate certificates and new certificates on split/consolidation/renewal;

Allotment and listing of shares;



Review of measures taken for effective exercise of voting rights by shareholders.

Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time.

Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting, and

Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

RESOLVED FURTHER THAT Mr. Rajat Kathpalia, Company Secretary of the Company act as the Secretary for the Stakeholder's Relationship Committee.

Item no.7

To appoint Mr Rajat Kathpalia as the Compliance officer.

Resolved that Mr Rajat Kathpalia , Company Secretary .is be and hereby appointed as the Compliance officer of the company.

RESOLVED FURTHER THAT any Directors of the Company be and is hereby authorized to do all such things, deeds and acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Item No.8

APPOINTMENT OF MR. AJAY SIKKA AS CHAIRMAN OF THE COMPANY

“**RESOLVED THAT** pursuant to Article of Association of the Company Mr. Ajay Sikka, Managing Director of the Company be and is hereby appointed as a Chairman of the Board of Directors with effect from 28.03.2023 and he shall remain a Chairman unless otherwise decided by the Board.

FURTHER RSOLVED THAT any one of the Directors of the Company be and are hereby authorised to take all necessary actions to implement the above decision of the board.”

Item No.9

CONSTITUTION OF CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

“**RESOLVED THAT** pursuant to section read with the Rule 5 of Companies (Corporate Social Responsibility) Rules, 2014 (“the CSR Rules”) (as amended) 135 and other applicable provisions of the Act and rules made thereunder and in view of the Compliance of the Corporate Governance Provisions

and proposed applicable provisions of the SEBI Listing Regulations, consent of the Board be and is hereby accorded to constitute the Nomination and Remuneration Committee consisting of following :-

"RESOLVED THAT a Committee of the Board of Directors to be called as the "Corporate Social Responsibility Committee" be and is hereby constituted / formed comprising of the following:-

Name	Designation	Status in Committee
Mr Ajay Sikka	Managing Director	Chairman
Mrs Gopika Sikka	Director	Member
Mr Rahul Sharma	Director	Member

RESOLVED FURTHER THAT the Corporate Social Responsibility Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Corporate Social Responsibility Committee as approved by the Board.

RESOLVED FURTHER THAT the terms of reference of the Corporate Social Responsibility Committee are as under:

1. Formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating the activities to be undertaken by the Company as specified in Schedule VII to the Companies Act, 2013;
2. Recommend the amount of expenditure to be incurred on the CSR activities.
3. Approve Corporate Sustainability Reports and oversee the implementation of sustainability activities;
4. Monitor Company's compliance with the Corporate Governance Guidelines and applicable laws and regulations and make recommendations to the Board on all such matters and on any corrective action to be taken, as the Committee may deem appropriate;
5. Oversee the implementation of policies contained in the Business Responsibility Policy Manual and to make any changes / modifications, as may be required, from time to time and to review and recommend the Business Responsibility Report (BRR) to the Board for its approval;
6. Monitor CSR Policy of the Company from time to time;
7. Monitor the CSR activities undertaken by the Company;
8. Ensure compliance with the corporate governance norms prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013 and other statutes or any modification or re-enactment thereof;
9. Advise the Board periodically with respect to significant developments in the law and practice of corporate governance and to make recommendations to the Board for appropriate revisions to the Company's Corporate Governance Guidelines;
10. Observe practices of Corporate Governance at all levels and to suggest remedial measures wherever necessary;
11. Review and assess the adequacy of the Company's Corporate Governance Manual, Code of Conduct for Directors and Senior Management, the Code of Ethics and other internal policies and guidelines and monitor that the principles described therein are being incorporated into the Company's culture and business practices;
12. Formulate / approve codes and / or policies for better governance;
13. Provide correct inputs to the media so as to preserve and protect the Company's image and standing;
14. Disseminate factually correct information to investors, institutions and the public at large;



15. Establish oversight on important corporate communication on behalf of the Company with the assistance of consultants/ advisors, if necessary;
16. Ensure institution of standardized channels of internal communications across the Company to facilitate a high level of disciplined participation;

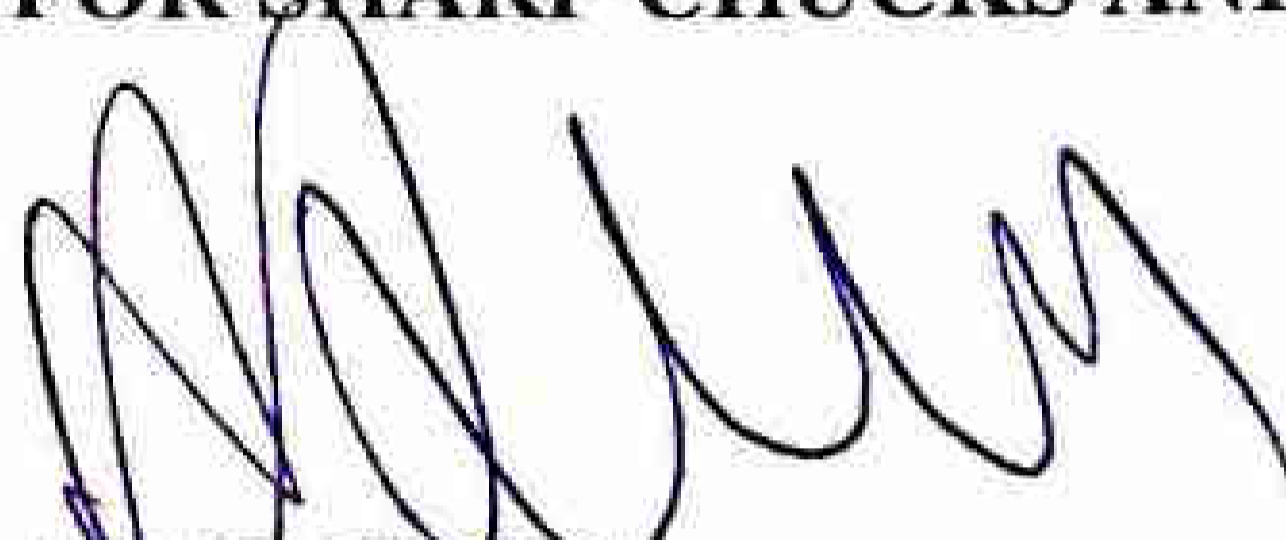
Carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable.


RESOLVED FURTHER THAT Mr. Ajay Sikka, Director be and is hereby appointed as the Chairman for the Corporate Social Responsibility Committee.

RESOLVED FURTHER THAT Mr. Rajat Kathpalia, Company Secretary of the Company act as the Secretary for the Corporate Social Responsibility Committee.

//Certified True Copy//

FOR SHARP CHUCKS AND MACHINES LIMITED


AJAY SIKKA
(MANAGING DIRECTOR)
DIN: 00665858


GOPIKA SIKKA
DIRECTOR
DIN: 00665904

DATE: 28.03.2023
PLACE: JALANDHAR