

SHARP CHUCKS AND MACHINES LIMITED

Formerly SHARP CHUCKS AND MACHINES PVT.LTD.
Regd. Office : A- 12, Industrial Development Colony, Jalandhar - 144 012 (Pb.)
E-mail : dispatch@sharpchucks.com accounts@sharpchucks.com

GSTIN :03AACCS0690M1ZB
CIN: L27106PB1994PLC014701

Tel: 0181-2610341 , 2611763
Telefax : 0181-2610344
Website : www.sharpchucks.com

Date: 28th September, 2024

To,

The Manager,
National Stock Exchange of India Limited Exchange Plaza,
Bandra Kurla Complex, Bandra East, Mumbai-400051
Symbol: SCML
ISIN: INE460Q01014

Sub.: Corrigendum to the Notice of the 30th Annual General Meeting to be held on September 30, 2024
Ref.: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir / Ma'am,

This is with reference to our earlier communication dated September 06, 2024 regarding Notice of the Annual General Meeting ("AGM") of the Company scheduled to be held on Monday, September 30, 2024 at 03:00 P.M. (IST) through Video Conferencing / Other Audio Visual Means. Corrigendum is being issued to inform Members of the Company regarding modifications / alterations in the Special Resolution pertaining to Item No. 5 and Explanatory Statement to Item No.5 forming part of the AGM Notice dated September 06, 2024, as brief hereunder:

i) Point G (ii) Basis on which the price has been arrived at along with report of the registered valuer: - Replaced as mentioned below

Since the Proposed Preferential Issue is expected to result in a change in control or allotment of more than 5% (five per cent) of the post issue fully diluted Share Capital of the Company, the Company is required to obtain a Valuation Report from an Independent registered valuer and consider the same for determining the price. Further, given that the equity shares of the Company have been listed for a period of more than 90 (ninety) trading days prior to the relevant date, the Company is not required to re-compute the issue price as per Regulation 164(3) the SEBI ICDR Regulations, and therefore, the Company is not required to submit the undertakings specified under Regulations 163(1)(g) and 163(1)(h) of the SEBI ICDR Regulations.

(ii) Point no n The Names of the proposed allottees, the identity of the natural persons who are the ultimate beneficial owners of the Warrants proposed to be allotted and/ or who ultimately control the proposed allottees and the percentage of post preferential offer capital that may be held by them:

S.No	Name of Proposed Investor	Ultimate Beneficial Owners (UBO')	Maximum Amount / Up to (INR)	Pre-preferential allotment Shareholding %	Post-Preferential allotment Shareholding % * **	Change In Control, If any
1	Citrus Global Arbitrage Fund	Neeraj Gupta	6,20,00,000	0.00%	3.19	N.A
2	Monica Bhatia	NA	6,20,00,000	0.00%	3.19	N.A
3	SSNK Consultancy Services Private Limited	Shammi Khanna Sunny Raheja	1,86,00,000	0.00%	0.95	N.A
4	Shelly Tyagi	NA	24,80,000	0.00%	0.12	N.A

iii) This is to inform that the Company has fully complied with the requirement to Pursuant to Regulation 166A of SEBI (ICDR) Regulations, 2018 to publish the valuation report on our official website. The report



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from the registered valuer is available for public access at www.sharpchucks.com. in line with the provisions of Regulation 166A.

Except as referred above and detailed in the attached Corrigendum, all other terms and contents of the AGM Notice dated September 06, 2024 shall remain unchanged. Accordingly, Outcome dated September 26, 2024 to the AGM Notice dated September 30, 2024 modifying the Special Resolution pertaining to Item No. 5 and its Explanatory Statement is enclosed for your information. This Corrigendum shall form an integral part of the AGM Notice dated September 06, 2024 sent to Members of the Company on September 06, 2024. The same is also being uploaded on the website of the Company <https://www.sharpchucks.com> and the website of NSDL <https://www.evoting.nsdl.com> .Kindly take the information on record.

Thanking you,

**For and on behalf of Board of Directors of
Sharp Chucks & Machines Limited**

Sd/-

**Mr. Ajay Sikka
Managing Director
DIN: 00665858
148, Shakti Nagar, Jalandhar
Encl.: As above**



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CORRIGENDUM TO THE NOTICE OF 30TH ANNUAL GENERAL MEETING TO BE HELD ON SEPTEMBER 30, 2024

Sharp Chucks and Machines Limited (the “Company”) had issued a notice dated 06th September, 2024 for convening 30th Annual General Meeting of The Members of the company on Monday, 30th September, 2024 at 03:00 pm (IST), Through Video Conferencing/Other Audio-Visual Means (Vc/Oavm”). The AGM Notice has been sent to Members of the Company on September 06, 2024. The Board of Directors of the Company at its meeting held on September 18, 2024 exercising its powers to settle any question, difficulty or doubt that may arise in respect to the preferential issue, approved certain modifications / alterations in the and its Explanatory Statement forming part of the AGM Notice dated September 06, 2024. These modifications / alterations followed a review of the Proposed Allottees' documents, identification of disqualifications and consideration of additional requests. Additionally, the changes were made in response to instructions from National Stock Exchange of India Limited regarding the Company's application for in principle approval for the preferential issue. Now, through this corrigendum, Members of the Company are being informed about the following modifications / alterations to Explanatory Statement forming part of the AGM Notice dated September 06, 2024:

- i) Changes in pre-and post-preferential allotment shareholding % and change in Control, if Any**
ii) Point G (ii) Basis on which the price has been arrived at along with report of the registered valuer: - Replaced as mentioned below

Since the Proposed Preferential Issue is expected to result in a change in control or allotment of more than 5% (five per cent) of the post issue fully diluted share capital of the Company, the Company is required to obtain a valuation report from an independent registered valuer and consider the same for determining the price. Further, given that the equity shares of the Company have been listed for a period of more than 90 (ninety) trading days prior to the relevant date, the Company is not required to re-compute the issue price as per Regulation 164(3) the SEBI ICDR Regulations, and therefore, the Company is not required to submit the undertakings specified under Regulations 163(1)(g) and 163(1)(h) of the SEBI ICDR Regulations.

- iii)** This is to inform that the Company has fully complied with the requirement to Pursuant to Regulation 166A of SEBI (ICDR) Regulations, 2018 to publish the valuation report on our official website. The report from the registered valuer is available for public access at www.sharpchucks.com. in line with the provisions of Regulation 166A. We regret the oversight of not referencing the valuation report in the original notice. To address this, a corrigendum has been prepared and issued, highlighting the inclusion of the reference to the valuation report in the notice. We are also providing proof of dispatch of the corrigendum to all shareholders and stakeholders as required by regulatory guidelines.

For the sake of utmost clarity, better understanding of Members and to enable them to exercise their voting rights on an informed basis, the revised Special Resolution at item no.5 and its Explanatory Statement are reproduced hereunder after incorporating the above referred modifications / alterations:

1. ISSUANCE OF WARRANTS ON A PREFERENTIAL BASIS TO THE PERSONS BELONGING TO NON- PROMOTER, PUBLIC CATEGORY OF THE COMPANY (“INVESTOR PREFERENTIAL ISSUE”):

To consider and if thought fit, to pass the following resolution, with or without modifications, as a Special Resolution:

Up to 11,70,000 (Eleven Lakhs Seventy Thousand Only) Fully Convertible Warrants (“Warrants”), to the persons belonging to “Non-Promoter, Public Category” (Proposed Allottees), at an issue price of INR 124/- (Rupees One Hundred Twenty Four Only) per Warrant, which is higher than the floor price determined in accordance with the provisions of Chapter V of ICDR Regulations, for an aggregate amount of up to INR 14,50,80,000 (Rupees Fourteen Crores Fifty Lakhs And Eighty Thousand Only),

“RESOLVED THAT pursuant to the provisions of Section 42, Section 62(1)(c) of the Companies Act, 2013 as amended including rules notified thereunder (“Act”) read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended and other applicable provisions, if any (including any statutory modifications(s) or reenactment thereof, for the time being in force), Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (“Listing Regulations”), enabling provisions of the Memorandum and Articles of Association of the Company, applicable rules, notifications and circulars issued by



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the Reserve Bank of India and such other acts / rules / regulations as may be applicable and subject to necessary approvals / consents, if any, from the competent statutory and / or regulatory authorities, as may be applicable or necessary including the Securities and Exchange Board of India ("SEBI") and National Stock Exchange of India Limited ("NSE") and subject to such terms and condition(s), alteration(s), correction(s), change(s) and/or modification(s) as may be prescribed by any of the competent statutory and / or regulatory authorities while granting consent(s), permission(s) or approval(s), and which may be agreed to by the board of directors of the Company (hereinafter referred to as the "Board" which terms shall be deemed to include any committee(s) which the Board may have constituted or hereinafter constitute to exercise its power including the powers conferred by this resolution) and subject to any other alteration(s), modification(s), condition(s), correction(s), change(s) and variation(s) that may be decided by the Board in its absolute discretion, the consent of the members of the Company be and is hereby accorded to offer, issue and allot, from time to time in one or more tranches, up to 11,70,000 (Eleven Lakhs Seventy Thousand) warrants, each convertible into, or exchangeable for, 1 (one) fully paid-up equity share of the Company having face value of INR 10/- (Indian Rupees Ten Only) ("Equity Share") each ("Warrants") at a price (including the Warrant Subscription Price and the Warrant Exercise Price) of INR 124/- (Indian Rupees One Hundred And Twenty Four only) each payable in cash ("Warrant Issue Price"), aggregating upto INR 14,50,80,000 (Rupees Fourteen Crores Fifty Lakhs And Eighty Thousand Only), Proposed Allottees on a preferential basis to persons forming part of the Non-promoter group of the Company whose details are set out below subject to the maximum entitlement of each Warrants Holder as specified below and upon receipt of INR 31/- (Indian Rupees Thirty One Only) for each Warrants, which is equivalent to 25% (twenty five per cent) of the Warrant Issue Price as upfront payment ("Warrant Subscription Price") entitling the Proposed Allottees to apply for and get allotted one fully paid-up equity share of the Company of face value of INR 10/- (Indian Rupee Ten Only) each against every Warrant held, in one or more tranches within a maximum period of 18 (eighteen) months from the date of allotment of Warrants, on payment of INR 93/- (Indian Rupees Ninety Three only) which is equivalent to 75% (Seventy five per cent) of the Warrant Issue price ("Warrant Exercise Price"), for each Warrant proposed to be converted, in such manner and upon such terms and conditions as may be deemed appropriate by the Board in accordance with the terms of this issue, provisions of ICDR Regulations, or other applicable laws in this respect:

Equity share with warrants to be allotted to the following proposed investors: -

Sr. No	Name Of Proposed Allottee	Number of Warrants to be Allotted	Amount to be paid for Warrants (INR)	Number of Shares to be Issued assuming full conversion of Warrants
1	Citrus Global Arbitrage Fund	500000	6,20,00,000	500000
2	Monica Bhatia	500000	6,20,00,000	500000
3	SSNK Consultancy Services Private Limited	150000	1,86,00,000	150000
4	Shelly Tyagi	20000	24,80,000	20000
	Total	11,70,000	14,50,80,000	11,70,000

RESOLVED FURTHER THAT the Company hereby notes and takes on record that in accordance with the provisions of Regulation 161 of the ICDR Regulations, the "Relevant Date" for the purpose of calculating the floor price for the issue of equity shares of the Company pursuant to the exercise of conversion of the Warrants is determined to be Friday, August 30, 2024, and the floor price for the preferential issue on the aforesaid Relevant Date pursuant to regulation 164(1) of the ICDR Regulations is INR 124/- (Indian Rupees One Hundred And Twenty Four only).

RESOLVED FURTHER THAT without prejudice to the generality of the above, the Warrants issued shall be subject to the following terms and conditions:

a. In accordance with the provisions of Chapter V of ICDR Regulations, 25% (Twenty Five Per Cent) of the Warrant Issue



Price, shall be paid by the Proposed Allottees to the Company on or before allotment of the Warrants and the balance consideration i.e. 75% (Seventy-Five Per Cent) of the Warrant Issue Price shall be paid at the time of exercise of option to apply for fully paid –up Equity shares of INR 10/- (Indian Rupees Ten Only) each of the Company, against each such Warrants held by the Proposed Allottees.

b. The Proposed Allottees shall be entitled to exercise his option to convert any or all of the warrants into equity shares of the Company in one or more tranches after giving a written notice to the Company, specifying the number of warrants proposed to be exercised along with the aggregate Warrant Exercise Price payable thereon, without any further approval from the shareholders of the Company prior to or at the time of conversion. The Company shall accordingly, issue and allot the corresponding number of equity shares of the Company to the Proposed Allottees.

c. The Proposed Allottees shall make payment of Warrant Subscription Price and Warrant Exercise Price from their own bank account into to the designated bank account of the Company.

d. In terms of Regulation 166 of the ICDR Regulations, the price of Warrants determined above and the number of Equity Shares to be allotted on exercise of the Warrants shall be subject to appropriate adjustments, if applicable. If the amount payable on account of the re-computation of price is not paid within the time stipulated in the ICDR Regulations, the Warrants shall continue to be locked- in till the time such amount is paid by the Proposed Allottees.

e. Upon exercise of the option by the Proposed Allottees, the Company shall issue and allot appropriate number of Equity Shares and perform all such actions as are required including to credit the same to the designated securities demat account of the Proposed Allottees.

f. The tenure of Warrants shall not exceed 18 (eighteen) months from the date of allotment. If the entitlement against the Warrants to apply for the Equity Shares of the Company is not exercised by the Proposed Allottees within the aforesaid period of 18 (eighteen) months, the entitlement of the Proposed Allottees to apply for Equity Shares of the Company along with the rights attached thereto shall expire and any amount paid by the Proposed Allottees on such Warrants shall stand forfeited.

g. The Equity Shares so allotted on exercise of the Warrants shall be in dematerialized form and shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari passu with the then existing Equity Shares of the Company, including entitlement to voting powers and dividend.

h. The Warrants by itself, until exercised and converted into equity shares, shall not give to the Proposed Allottees thereof any rights with respect to that of an Equity shareholder of the Company.

i. The Warrants and Equity Shares issued pursuant to the exercise of the Warrants shall be locked-in as prescribed under the ICDR Regulations.”

“**RESOLVED FURTHER THAT** the pre-preferential allotment shareholding of the Proposed Allottees, if any, in the Company shall also be subject to lock-in as per the provisions of the ICDR Regulations.”

“**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board, be and is hereby, jointly and severally authorized on behalf of the Company to do all such other acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary or desirable for such purpose, without being required to seek any further consent or approval of the members of the Company to resolve and settle any matter, question, difficulty or doubt that may arise in regard to the issuance and allotment of Warrants and the equity shares to be allotted pursuant to the conversion of the Warrants, without requiring any further approval of the Members, and to authorize all such persons as may be deemed necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit;”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to, do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or desirable to give effect to the above resolutions, including without limitation to issue and allot Equity Shares upon exercise of the Warrants, to issue certificates/ clarifications on the issue and allotment of Warrants and thereafter allotment of Equity Shares further to exercise of the Warrants, effecting any modifications to the foregoing (including to determine, vary, modify or alter any of the terms and conditions of the Warrants including deciding the size and timing of any tranche of the Warrants), entering into contracts, arrangements,



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agreements, memorandum, documents to give effect to the resolutions above (including for appointment of agencies, consultants, intermediaries and advisors for managing issuance of Warrants and listing and trading of Equity Shares issued on exercise of Warrants), including making applications to NSE for obtaining of in-principle approval, filing of requisite documents with the Registrar of Companies ("ROC"), National Securities Depository Limited ("NSDL"), Central Depository Services (India) Limited ("CDSL") and/ or such other authorities as may be necessary for the purpose, and to take all such steps as may be necessary for the admission of the Warrants and Equity Shares (to be issued on exercise of the Warrants) with the depositories, viz. NSDL and CDSL and for the credit of such Warrants / Shares to the respective dematerialized securities account of the Proposed Allottees, and to delegate all or any of the powers conferred on it by this resolution to any director(s) or officer(s) of the Company and to revoke and substitute such delegation from time to time, as deemed fit by the Board, to give effect to the above resolutions and also to initiate all necessary actions for and to settle all questions, difficulties, disputes or doubts whatsoever that may arise, without limitation in connection with the issue and utilization of proceeds thereof, and take all steps and decisions in this regard, without being required to seek any further consent or approval of the members of the Company or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

For and on behalf of Board of Directors of Sharp
Chucks & Machines Limited

Sd/-

Mr. Ajay Sikka
Managing Director
DIN: 00665858
148, Shakti Nagar, Jalandhar

In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

1. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
2. 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 for 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.
3. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
4. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.



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5. 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 www.sharpchucks.com. The Notice can also be accessed from the website of the Stock Exchange i.e. National Stock Exchange of India Limited at www.nseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
6. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.



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EXPLANATORY STATEMENT [Pursuant to the provisions of Section 102 of the Companies Act, 2013, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]**Item 5: Issuance of Warrants to the Proposed Allottees of the Company by way of preferential issue:**

The Company intends to raise funds from the Identified Proposed Allottees by issuance of the Warrants for the purpose of Working Capital Requirements. Therefore, the Board, in its meeting held on Friday, September 06, 2024, has approved the proposal for issuance of the Warrants to the Proposed Allottees under the Preferential Issuer as per terms stated in the aforesaid resolution, subject to, inter alia, approval of the members of the Company and shall be on the terms and conditions, as mentioned below:

- a. Pursuant to Regulation 160(c) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations"), the allotment of the Warrants (including the Equity Shares to be allotted on conversion of such Warrants) shall be made only in dematerialized form.
- b. In accordance with the provisions of Regulation 161 of ICDR Regulations, the 'Relevant Date' for the Warrant issue is determined to be Friday, August 30, 2024.
- c. In accordance with the applicable provisions of the ICDR Regulations an amount of INR 31/- (Indian Rupees Thirty-One Only) which is equivalent to 25% (twenty-five per cent) of the Warrant Issue Price shall be paid by the Proposed Allottees to the Company as upfront payment ("Warrant Subscription Price").
- d. The Proposed Allottees shall be, subject to the ICDR Regulations and other applicable rules, regulations and laws, entitled to exercise the conversion rights attached to the Warrants in one or more tranches within a period of 18 (Eighteen) months from the date of allotment of the Warrants by issuing a written notice to the Company specifying the number of Warrants proposed exchanged or converted with / into the Equity Shares of the Company and making payment at the rate of INR 93/- (Indian Rupees Ninety Three Only) being 75% (seventy five per cent) of the Warrant Issue Price ("Warrant Exercise Price") in respect of each Warrant proposed to be converted by the Proposed Allottees.
- e. On receipt of such application from the Proposed Allottees, the Company shall without any further approval from the shareholders of the Company take necessary steps to issue and allot the corresponding number of Equity Shares to the Proposed Allottees.
- f. If the entitlement against the Warrants to apply for the Equity Shares of the Company is not exercised by the Proposed Allottees within the aforesaid period of 18 (eighteen) months, the entitlement of the Proposed Allottees to apply for Equity Shares of the Company along with the rights attached thereto shall expire and any amount paid by the Proposed Allottees on such Warrants shall stand forfeited.
- g. The Equity Shares allotted on exercise of the Warrants shall only be in dematerialized form and shall rank pari passu with the existing Equity Shares of the Company including entitlement to voting powers and dividend.
- h. The proposed issue and allotment of the Warrants and the exercise of option thereof will be governed by the Memorandum and Articles of Association of the Company, the Act, the ICDR Regulations, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2018, as amended, ("Listing Regulations"), applicable rules, notifications and circulars issued by the Reserve Bank of India and such other acts / rules / regulations as maybe applicable and subject to necessary approvals / consents, if any, from the statutory and / or regulatory authorities, as maybe applicable including the Securities and Exchange Board of India.

This resolution is recommended to the members of the Company for their consideration and approval pursuant to the provisions of Sections 42 and 62 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 and any other applicable provisions of the Companies Act, 2013 and the provisions of



Chapter V of the SEBI ICDR Regulations.

The disclosure required in terms of provisions of Rule 13(2)(d) of the Companies (Share Capital and Debentures) Rules, 2014, Rule 14(1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 and the provisions of Chapter V of the SEBI ICDR Regulations are as follows:

a. Particulars of the offer including date of passing of Board resolution:

The Board, in its meeting held on Friday, September 06, 2024, has approved the proposal for the creation, offer, issuance and allotment of up to 11,70,000 (Eleven Lakhs Seventy Thousand Only) warrants, each convertible into, or exchangeable for, 1 (one) fully paid-up equity share of the Company having face value of INR 10/- (Indian Rupees Ten Only) ("Equity Share") each ("Warrants") at a price (including the Warrant Subscription Price and the Warrant Exercise Price) of INR 124/- (Indian Rupees One Hundred And Twenty Four only) each payable in cash ("Warrant Issue Price"), aggregating up to INR 14,50,80,000 (Rupees Fourteen Crores Fifty Lakhs Eighty Thousand Only) in one or more tranches.

b. The Objects of the issue:

The Company intends to utilize the proceeds raised through the Preferential Issue ("Issue Proceeds") towards the Working Capital Requirements.

c. Utilization of Issue Proceeds

Given that the funds to be received against Warrants conversion will be in tranches and the quantum of funds required on different dates may vary, therefore, the broad range of intended use of the Issue Proceeds for the above Objects is set out hereinbelow:

Sr. No.	Particulars	Total estimated amount to be utilized for each of the Objects (Rs. In Crores)	Tentive timelines for utilization of issue Proceeds from the date of receipt of fund
1.	Working capital requirements	14,50,80,000	Within 3 to 4 months



*Considering 100% conversion of Warrants into equity shares within the stipulated time.

Given that the Preferential Issue is for convertible Warrants, the Issue Proceeds shall be received by the Company within 18 (eighteen) months from the date of allotment of the Warrants in terms of Chapter V of the SEBI ICDR Regulations, and as estimated by our management, the entire Issue Proceeds would be utilized for the all the aforementioned Objects, in phases, as per the Company's business requirements and availability of Issue Proceeds, within 3 (Three) to 4 (Four) months from the date of receipt of funds for the Warrants (as set out herein).

In terms of the BSE Circular No. 20221213-47 dated December 13, 2022, the amount specified for the aforementioned Objects may deviate +/- 10% depending upon the future circumstances, given that the Objects are based on management estimates and other commercial and technical factors. Accordingly, the same is dependent on a variety of factors such as financial, market and sectoral conditions, business performance and strategy, competition and other external factors, which may not be within the control of the Company and may result in modifications to the proposed schedule for utilization of the Issue Proceeds at the discretion of the Board, subject to compliance with applicable laws.

If the Issue Proceeds are not utilized (in full or in part) for the Objects during the period stated above due to any such factors, the remaining Issue Proceeds shall be utilized in subsequent periods in such manner as may be determined by the Board, in accordance with applicable laws.

This may entail rescheduling and revising the planned expenditure and funding requirements and increasing or decreasing the expenditure for a particular purpose from the planned expenditure as may be determined by the Board, subject to compliance with applicable laws.

d. Interim Use of Issue Proceeds

Our Company, in accordance with the policies formulated by our Board from time to time, will have flexibility to deploy the Issue Proceeds. Pending complete utilization of the Issue Proceeds for the Objects described above, The Company intends to deposit the pending utilization of the gross proceeds for the Objects with scheduled commercial banks included in the second schedule of the Reserve Bank of India Act, 1934 or in such other opportunities as may be allowed by the Board from time to time.

e. Monitoring of Utilisation of funds

Given that the issue size exceeds doesn't Rs. 100 Crore (Indian Rupees One Hundred Crore), in terms of Regulation 162A of the SEBI ICDR Regulations, the Company doesn't require to appoint any credit rating Agency, a SEBI registered Credit Rating Agency as the monitoring agency to monitor the use of the proceeds of the Preferential Issue ("Monitoring Agency").

f. Kinds of securities offered, the total number of shares or other securities to be issued, the price at which security is being offered and amount which the Company intends to raise by way of such securities:

The Company propose to issue in one or more tranches up to 11,70,000 (Eleven Lakhs Seventy Thousand) warrants, each convertible into, or exchangeable for, 1 (one) fully paid- up equity share of the Company having face value of INR 10/- (Indian Rupees Ten Only) ("Equity Share") each ("Warrants") at a price (including the Warrant Subscription Price and the Warrant Exercise Price) of INR 124/- (Indian Rupees One Hundred And Twenty Four only) each payable in cash ("Warrant Issue Price"), in one or more tranches which is not less than the floor price determined in accordance with Chapter V of the SEBI ICDR Regulations for an aggregate consideration of up to INR 14,50,80,000/- (Indian Rupees Fourteen Crores Fifty Lakhs And Eighty Thousand only)



g. Basis on which the price has been arrived at along with report of the registered valuer:

i In terms of the SEBI ICDR Regulations, the floor price at which the Warrants can be issued is INR 124/- (Indian Rupees One Hundred And Twenty Four Only) respectively, as per the pricing formula prescribed under the SEBI ICDR Regulations for the preferential Issue and is Highest of the following:

- a. 90 (ninety) trading days volume weighted average price (VWAP) of the equity shares of the Company preceding the Relevant Date: i.e. INR 114.71/- (Indian Rupees One Hundred Fourteen and Paise Seventy One Only) per equity share;
- b. 10 (ten) trading days volume weighted average price (VWAP) of the equity shares of the Company preceding the Relevant Date: i.e. INR 123.91/- (Indian Rupees One Hundred Twenty Three and Paise Ninety One Only) per equity share.
- c. Floor price determined in accordance with the provisions of the articles of association of the Company. However, the articles of association of the Company does not provide for any method of determination for valuation of shares which results in floor price higher than determined price pursuant to SEBI ICDR Regulations.

ii. Since the Proposed Preferential Issue is expected to result in a change in control or allotment of more than 5% (five per cent) of the post issue fully diluted share capital of the Company, the Company is required to obtain a valuation report from an independent registered valuer and consider the same for determining the price. Further, given that the equity shares of the Company have been listed for a period of more than 90 (ninety) trading days prior to the relevant date, the Company is not required to re-compute the issue price as per Regulation 164(3) the SEBI ICDR Regulations, and therefore, the Company is not required to submit the undertakings specified under Regulations 163(1)(g) and 163(1)(h) of the SEBI ICDR Regulations.

h. The price or price band at/within which the allotment is proposed:

As stated in clause g. above, the Warrants are proposed to be issued at an issue price of INR 124/- (Indian Rupees One Hundred and Twenty Four Only) per Warrant.

i. Relevant Date with reference to which the price has been arrived at:

The 'relevant date' for the purpose of determination of the floor price for issue of the Warrants as per provisions of Chapter V of the SEBI ICDR Regulations and other applicable laws is Friday, August 30, 2024 ("Relevant Date"), being the date 30 (Thirty) days prior to the date on which the meeting viz. this Annual General Meeting of members of the Company is proposed to be held to consider and approve the Proposed Allottees.

j. The class or classes of persons to whom the allotment is proposed to be made:

The Equity Shares are proposed to be issued and allotted to private investors comprising of Individuals and Body Corporate, who shall hold the equity shares in the Company under the Non-Promoter Public Category. The Warrants shall be issued and allotted to the Proposed Allottees as detailed herein below:



SHARP CHUCKS AND MACHINES LIMITED

Formerly SHARP CHUCKS AND MACHINES PVT.LTD.
 Regd. Office : A- 12, Industrial Development Colony, Jalandhar - 144 012 (Pb.)
 E-mail : dispatch@sharpchucks.com accounts@sharpchucks.com

GSTIN :03AACCS0690M1ZB
 CIN: L27106PB1994PLC014701

Tel. 0181-2610341 , 2611763
 Telefax : 0181-2610344
 Website : www.sharpchucks.com

Sr. No	Name	Number of Warrants to be Allotted	Amount to be paid for Warrants (INR)	Number of Shares to be Issued assuming full conversion of Warrants	Pre-preferential allotment Shareholding %	Post-Preferential allotment Shareholding % * **	Change In Control, If any
1	Citrus Global Arbitrage Fund	500000	6,20,00,000	500000	0.00%	3.19%	Nil
2	Monica Bhatia	500000	6,20,00,000	500000	0.00%	3.19%	Nil
3	SSNK Consultancy Services Private Limited	150000	1,86,00,000	150000	0.00%	0.95%	Nil
4	Shelly Tyagi	20000	24,80,000	20000	0.00%	0.12%	Nil
	Total	1170000	14,50,80,000	1170000	0.00%	7.45%	Nil

k. Intention of Promoters, Directors or Key Managerial Personnel to subscribe to the offer:

The promoters and promoter group doesn't intent to participate in the Preferential Issue.

l. The proposed time within which the allotment shall be completed:

The Warrants shall be allotted by the Company to the Identified Proposed Allottees in dematerialized form within a period of 15 (fifteen) days from the date of passing of this special resolution by members of the Company, provided that, where the issue and allotment of the said Warrants to the Identified Proposed Allottees is pending on account of pendency of approval of any regulatory authority (including, but not limited to the Stock Exchange), the issue and allotment shall be completed within a period of 15 (fifteen) days from the date of receipt of last of such approvals.

n. The Names of the proposed allottees, the identity of the natural persons who are the ultimate beneficial owners of the Warrants proposed to be allotted and/ or who ultimately control the proposed allottees and the percentage of post preferential offer capital that may be held by them:

S.No	Name of Proposed Investor	Ultimate Beneficial Owners (UBO')	Maximum Amount / Up to (INR)	Pre-preferential allotment Shareholding %	Post-Preferential allotment Shareholding % * **	Change In Control, If any
1	Citrus Global Arbitrage Fund	Neeraj Gupta	6,20,00,000	0.00%	3.19	N.A
2	Monica Bhatia	NA	6,20,00,000	0.00%	3.19	N.A



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3	SSNK Consultancy Services Private Limited	Shammi Khanna Sunny Raheja	1,86,00,000	0.00%	0.95	N.A
4	Shelly Tyagi	NA	24,80,000	0.00%	0.12	N.A

* Assuming competition of the preferential allotment to proposed Investors.

** The Post Preferential percentage of shareholding has been calculated assuming that all the Warrants allotted will be converted into equity shares.

o. The change in control, if any, in the Company that would occur consequent to the preferential offer:

The Promoter Preferential Issue will not result into change in the control of the Company.

p. The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price:

During the financial year viz. 2024-2025, the Company has made any issue and allotment of 7,50,000 (Seven Lakh Fifty Thousand) fully paid-up Equity Shares of the Company and 36,32,000 (Thirty Lac Lakh Thirty-Two Thousand) Equity Share Warrants on preferential basis.

q. The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:

Not applicable as Non- Promoter Preferential Issue is proposed to be made for cash consideration.

r. The pre-issue and post issue shareholding pattern of the Company:

The pre-issue and the post-issue shareholding pattern of the Company (considering full allotment of equity shares to be issued on preferential basis as per this Notice) is mentioned hereinbelow:

Sr. No.	Category	Pre-Issue		*@ Post Issue	
		No.of Equity Shares	% of Shareholding	No. of Equity Shares	% of Shareholding
A.	Promoter and Promoter Group Shareholders				
1.	Indian				
a)	Individuals/HUF				
b)	Bodies Corporate	9230542	63.6%	9230542	58.92%
c)	Others	-	-	-	-
	Sub-total (A1)	9230542	63.68%	9230542	58.92%
2.	Foreign	-	-	-	-
a)	Bodies Corporate	-	-	-	-
	Sub-Total(A2)				



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	Total Promoters and Promoters Group (A=A1+A2)				
B.	Non-Promoter/Public Shareholders				
3.	Institutional Investors	2000	0.013%	502000	3.20%
4.	Non-Institutions	-		-	-
(a)	Bodies Corporate	579000	3.99%	729000	4.65%
(b)	Directors and relative	-		-	-
(c)	Indian Public	4649250	32.07%	5169250	33.00%
(d)	Others (Including NRIs)	34000	0.234%	34000	0.22%
(e)	Relative Firm	2000	0.01	2000	0.01
	Total Non-Promoters/Public Shareholders	5264250	36.32%	6434250	41.08%
	Grand Total (A+B)	14496792	100.00%	15666792	100.00%



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

Assuming completion of the preferential allotment to Proposed Investors and Identified Promoters @ The post preferential percentage of shareholding has been calculated assuming that all the Warrants allotted will be converted into Equity Shares.

s. The current and proposed status of the allottee post the preferential issues namely, promoter or non-promoter:

As mentioned above, the Proposed Allottees are forming part of Non-Promoter Public Category of the Company and such status will continue to remain the same post the Preferential Issue.

t. Lock-in Period:

The pre-preferential allotment shareholding of the Identified Proposed Allottees, if any, in the Company and Warrants allotted in terms of this resolution and the resultant Equity Shares arising on exercise of rights attached to such Warrants shall be subject to lock-in as per the provisions of the ICDR Regulations.

u. Listing:

Post conversion of Warrants into Equity Shares to be allotted to the Identified Proposed Allottees shall be listed and shall be admitted for trading on the NSE, subject to requisite approval from the Stock Exchange.

v. Practicing Company Secretary's Certificate

As required under the provisions of Regulation 163(2) of SEBI ICDR Regulations, a certificate issued by, M/s. Vikas Verma & Associates certifying, inter alia, that the Preferential Issue is being made in accordance with the Chapter V of the SEBI ICDR Regulations, shall be placed before the meeting of the members. The said certificate issued by M/s. Vikas Verma & Associates, Practicing Company Secretaries, is also hosted on the website of the Company at www.sharpchucks.com

w. Undertakings / Confirmations:

a. The Company is eligible to undertake the preferential issue in accordance with the provisions of the Chapter V of the SEBI ICDR Regulations.

b. None of the promoters and/or directors of the Company are a fugitive economic offender as defined under the SEBI ICDR Regulations.

c. Neither the Company nor any of its promoters and/or directors have been declared as wilful defaulter or a fraudulent borrower as defined under the SEBI ICDR Regulations. Consequently, the disclosures required under Regulation 163(1)(i) of the SEBI ICDR Regulations are not applicable.

d. Each of Identified Proposed Allottees has confirmed that it has not sold any equity shares of the Company during the 90 trading days preceding the Relevant Date.

e. As the equity shares of the Company are listed on recognized Stock Exchange for a period of more than 90 trading days prior to the Relevant Date, the Company is not required to re-compute the price. However, the Company shall re-compute the price of the relevant securities to be allotted under the preferential allotment in terms of the provisions of SEBI ICDR Regulations if it is required to do so. If the amount payable on account of the re-computation of price is not paid within the time stipulated in SEBI ICDR Regulations, the relevant securities to be allotted under the preferential issue shall continue to be locked-in till the time such amount is paid by the respective allottees.

The approval of the members is being sought to enable the Board to issue and allot the Warrants on a preferential basis, to the extent and in the manner as set out in the resolution and the explanatory



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statement. The Board of Directors of the Company believes that the proposed issue is in the best interest of the Company and its members.

None of the Directors, Key Managerial Personnel or their relatives are not in any way concerned or interested, financially or otherwise, in the proposed resolution, except to the extent of their shareholding in the Company, if any.

The Board of Directors recommend passing of the special resolution at item no. 5 of the accompanying notice for the approval of the Members of the Company.

For and on behalf of Board of Directors of Sharp
Chucks & Machines Limited

Sd/-
Mr. Ajay Sikka
Managing Director
DIN: 00665858
148, Shakti Nagar, Jalandhar



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