

# INDIAN SUGAR EXIM CORPORATION LIMITED

CIN: U99999DL1969GAP005106

Regd. Office: Block-C, IInd Floor, Ansal Plaza,

August Kranti Marg, New Delhi-110 049

Ph.:011-26263421-22,

E-mail: [isec@isecindia.com](mailto:isec@isecindia.com), Website: [www.isecindia.com](http://www.isecindia.com)

## NOTICE OF THE FIFTH EXTRAORDINARY GENERAL MEETING

NOTICE is hereby given that the Fifth Extraordinary General Meeting of the members of Indian Sugar Exim Corporation Limited will be held on Monday, the 24th day of June, 2024 at 2:00 PM at Hall "Diwan I Am", The Taj Mahal Hotel, No. 1, Man Singh Road, New Delhi – 110 011, to transact the following business:

### SPECIAL BUSINESS

#### 1. Appointment of Statutory Auditor to fill casual vacancy.

To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 139(8) of the Companies Act, 2013 read with the Companies (Audit and Auditors Rules), 2014 (the Rules), including any statutory modification(s) or re-enactment(s) thereof for the time being in force and pursuant to the recommendation of the Audit Committee and the Board of Directors, M/s. J. C. Bhalla & Co., Chartered Accountants (Firm Registration Number: 001111N), who have given their consent letter along with required certificate under Section 141 to the effect that their appointment, if made, would be within the limits specified under Section 139 of the Act, be and are hereby appointed as the Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. Walker Chandiook & Co. LLP., Chartered Accountants (ICAI Firm registration Number: 001076N/N500013).

**RESOLVED FURTHER THAT** M/s. J. C. Bhalla & Co., Chartered Accountants (Firm Registration Number: 001111N), be and are hereby appointed as the Statutory Auditors of the Company from this Extraordinary General Meeting and that they shall hold the office of the Statutory Auditors of the Company from the conclusion of this Meeting until the conclusion of the 55th Annual General Meeting and that they shall conduct the Statutory Audit for the financial year ended 31st March, 2024 on such remuneration and out-of-pocket expenses, as determined by the Audit Committee / Board of Directors of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things and take all such steps as may be necessary and expedient to give effect to this resolution.

**2. Articles of Association of the Company (“AOA”).**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**“Resolved that** pursuant to the provisions of section 14 of the Companies Act, 2013, and Companies (Incorporation) Rules, 2014, and other applicable provisions, including any modifications thereto or re-enactment thereof for the time being in force, the consent of the members be and is hereby accorded to substitute the existing Articles of Association of the Company with a new set of Articles of Association comprising Article no. 1 to Article no. 28.

**Resolved further that** the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary to give effect to this resolution including to agree to such amendments and modifications in the aforesaid clause as may be required by any competent authority and to do all such acts, deeds and things as may be required in this regard.”

**3. Amendment in the Memorandum of Association of the Company (“MOA”)**

To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**“Resolved that** pursuant to the provisions of Section 4,13 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modifications, amendment or re-enactment thereof for the time being in force) and subject to necessary registrations, approvals and sanctions required, if any, from the Registrar of Companies, and any other appropriate authority and subject to such terms, conditions, amendments or modifications as may be required or suggested by any such appropriate authorities, consent of the members be and is hereby accorded to insert the following sub-clause number 13 to 16, immediately after the existing sub-clause number 12 of Clause 3(l) of the Memorandum of Association of the Company:

(13) To carry on the business, either its own or through franchisees, agents, through collaboration or joint venture, concessioner, licensor, or otherwise in India or abroad; of manufacturers, producers, processors, blender, refiners, buyers, sellers, distributors, transporter, dispenser, importers, exporters, purchasers, sellers, traders, retailers, agents, franchisee, stockists and dealers of all kinds of fuels including but not limited to conventional fuels, new generation fuels, alternate fuels, including ethanol, methanol, methyl, ethyl products, butanol, Petro-chemicals, petroleum, alcohols, potash chemicals, acids, alkalis, carbon, hydro-carbon, fuel chemicals, any other chemicals, bio-fuels, agricultural produce/ agricultural residue based fuel (including sugarcane, sugarcane bagasse, rice straw, wheat straw, corn or any other crops or grains based fuels), municipal waste based fuels, cow dung or any similar waste based fuels, hydrogen/ bio-hydrogen based fuels, water based

fuels, liquid or gaseous petroleum and petroleum products, compressed bio-gas (CBG), compressed natural gas (CNG), liquified natural gas (LNG), piped natural gas (PNG) and any other new generation fuel and energy already developed or may be scientifically evolving or may evolve in future and the products or the by-products thereof or its feed stocks or which may be derived, produced, prepared, developed, compounded, made or manufactured there from and substances obtained by mixing or blending, any of the foregoing with other substances and to put to commercial and business use and otherwise deal in any manner in all or any of them and their allied products and materials, and for this purpose establish, purchase, acquire, own, design, engineer, fabricate, build, alter, improve, operate, manage, maintain, repair, buy and sell refineries, pipelines, buildings, plants, equipment, facilities, outlets pump stations, for the production, refining, processing, storage, supply, transportation and distribution of products referred to hereinabove and derivatives thereof, whether liquid, solid or gaseous and to provide consultancy and other services, to carry on research, development, innovation, experiment, analysis, testing etc., in all respects of all or any of the aforesaid.

- (14) To carry on the business, either its own or through franchisees, agents, through collaboration or joint venture, concessioner, licensor, or otherwise in India or abroad; to provide, establish, setup, operate, to take on lease, hire purchase and to construct, build, establish, all types of fuel pumps (including petrol pumps, ethanol pumps, gas stations, related garage, workshop and service station), dispensing outlet/ station, fuel/ energy pipe lines or any other form of transportation and distribution network (for all form of conventional and/ or non-conventional fuel and energy, whether in liquid, gas, solid or any other form) and to engage in and to do business in logistics, transportation, marketing, warehousing, storage, of all types of fuels including all products as mentioned at *sub-clause 13 above*, to run and operate retail outlets, bulk outlets, campaign outlets marketing offices and any other activities, as may be required, allowed and desired to be established at such fuel pumps and other aforesaid establishments and for this purpose establish, purchase, acquire, own, design, engineer, fabricate, build, alter, improve, operate, manage, maintain, repair, buy and sell pipelines, buildings, plants, equipment, facilities, outlets, pump stations etc., and derivatives thereof and to provide consultancy and other services, to carry on research, development, innovation, experiment, analysis, testing etc., in all respects of all or any of the aforesaid.
- (15) To carry on the business, either its own or through franchisees, agents, through collaboration or joint venture, concessioner, licensor, or otherwise in India or abroad; to purchase or otherwise acquire, assemble, install, construct, equip, repair, remodel, maintain, operate, hold, own, lease, rent, charter, mortgage, sell, convey or otherwise dispose of any and all kinds of dispensing and fuelling equipment, all types of vehicles to transport fuels (including ethanol), petroleum products, refineries, gas works, mills, factories, installations, plants, shops, laboratories, pipelines, pumping stations, tanks, repair shops, electrical works, power houses, warehouses terminals, office

building and other buildings and structures, roads, railroads, cars, railroad equipment, garages, motor and road equipment, telephone and telegraph lines, transmission lines, wireless facilities, water works, reservoirs, dams, canals, waterways, bridges, ports, docks, piers, wharfs; marine equipment, steamers, tankers, tugs, barges and other vessels, and machinery, apparatus, instruments, fixtures and appliances in so far as the same may appertain to, or be useful in, the conduct of the business of the Company.

- (16) To carry on the business, either its own or through franchisees, agents, through collaboration or joint venture, concessioner, licensor, or otherwise in India or abroad; to carry on the business of manufacturing, installations, commissioning, supply and trading, of charging stations and other facilities for electric vehicles and other plants, equipments and machineries through any form of energy, including solar energy, bio-energy or any other form of conventional or non-conventional form of energy; and for this purpose to establish, purchase, acquire, own, design, engineer, fabricate, build, alter, improve, operate, manage, maintain, repair, buy, sell, take on lease, land and buildings, plants, equipment, facilities, outlets etc., and derivatives thereof and to provide consultancy and other services, to carry on research, development, innovation, experiment, analysis, testing etc., in all respects of all or any of the aforesaid.

**Resolved further that** any of the Directors of the Company, be and is/are hereby severally/jointly authorised to do all such acts, deeds, matters and things as may be considered necessary, proper, and expedient, including of filing of all necessary e-Forms with the Registrar of Companies in this regard and to settle any question, difficulty or doubt, that may arise in giving effect to the above said resolution.”

By Order of the Board of Directors  
For **Indian Sugar Exim Corporation Limited**

[ Yamini Lodha ]  
**Addl. General Manager (Legal) & Company Secretary**  
**(ICSI Membership No. A22836)**

New Delhi  
29.05.2024

**Registered Office:**  
Block-C, IInd Floor, Ansal Plaza,  
August Kranti Marg,  
New Delhi-110 049  
Ph.:011-26263421-22,  
E-mail: [isec@isecindia.com](mailto:isec@isecindia.com)  
Website: [www.isecindia.com](http://www.isecindia.com)

## NOTES

1. A Member entitled to attend and vote at the Extra-Ordinary General Meeting (EGM) shall be entitled to appoint another person as proxy to attend and vote at the meeting on his behalf. A proxy shall not have the right to speak at the aforesaid meeting and shall not be entitled to vote except on a poll. A proxy need not be a Member of the Company. Proxies, in order to be effective, must be received by the Company not later than 48 hours before the commencement of the aforesaid meeting. Proxies submitted on behalf of limited companies, societies, etc. must be supported by appropriate resolutions/ authority, as applicable.
2. Corporate Members intending to send their authorized representatives to attend the Extra-Ordinary General Meeting, pursuant to Section 113 of the Act, are requested to send to the Company, a certified copy of the board resolution such other duly authorized document authorizing their representatives to attend and vote at the Extra-Ordinary General Meeting well in advance.
3. Members/Proxies/Authorized Representatives are requested to bring to the meeting the attendance slip(s) duly filled and copy(ies) of their Extra-Ordinary General Meeting Notice.
4. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business to be transacted at the Extra-Ordinary General Meeting is annexed hereto.
5. Relevant documents referred to in the proposed resolutions are available for inspection at the Registered Office of the Company during business hours on all days except Saturdays, Sundays and public holidays up to the date of the Extra-Ordinary General Meeting of the Company.
6. All documents referred to in the notice of the general meeting, or in the explanatory statement are available for inspection at the registered office of the Company on any working day during business hours till the date of Extraordinary General Meeting.
7. Route map showing directions to reach venue of the EGM is given at the end of the Notice.

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## **Statement pursuant to Section 102 of the Companies Act 2013**

**The following statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:**

### **1. Appointment of Statutory Auditor to fill casual vacancy.**

M/s. Walker Chandiook & Co. LLP., Chartered Accountants; the existing Statutory Auditors have tendered their resignation as Statutory Auditors w.e.f. 12.03.2024, citing reasons that they cannot agree to the change in the terms of engagement, and stated inability to continue to be the Statutory Auditor as it will not be commercially feasible for them to continue. This has resulted into a casual vacancy in the office of Statutory Auditors of the Company. As per the Section 139(8) of the Companies Act, 2013, the casual vacancy caused due to resignation of auditor is required to be approved by the Members in the General Meeting within three (3) months from the date of recommendation of the Board of Directors of the Company, who shall hold office till the conclusion of next Annual General Meeting.

The Board of Directors of the Company recommended the appointment of M/s. J. C. Bhalla & Co., Chartered Accountants (Firm Registration Number: 001111N), as the Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. Walker Chandiook & Co. LLP., Chartered Accountants (ICAI Firm registration Number: 001076N/N500013). M/s. J. C. Bhalla & Co., Chartered Accountants shall hold the office till the conclusion of 55th Annual General Meeting of the Company and they shall conduct the Statutory Audit for the financial year ended on 31st March, 2024. Accordingly, the approval of the members of the Company is sought by way of an Ordinary Resolution.

M/s. J. C. Bhalla & Co., (JCB) has dedicated assurance staff strength of 175+ professionals based out of New Delhi and NCR along with 250+ professionals in Associate Offices in Mumbai, Bengaluru, Pune, Kochi and Ahmedabad. JCB is associated with Crowe Global since last 5 years. Crowe Global has over 40,309 people in 798 Offices spread over 130 countries and is one of the Top Ten Global Accounting Networks in the World. In Asia Pacific, Crowe Global counts for over 11,940 people, 747 partners in 24 countries and is the sixth largest network in Asia Pacific

M/s. J. C. Bhalla & Co., Chartered Accountants (Firm Registration Number: 001111N), have given their consent to act as the Statutory Auditors of the Company along with confirmation that their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013 and shall satisfy the criteria as provided under section 141 of the Companies Act, 2013.

The Board of Directors of the Company recommends the passing of the resolution in Item No. 01 of the notice as an Ordinary Resolution.

None of the Directors or Key Managerial Persons of the Company (including their relatives), except to the extent of their shareholding in the Company are concerned or interested in the said resolution.

## **Item No. 2**

### **Articles of Association of the Company (“AOA”).**

The Board of Directors of your Company in its meeting held on 30th April, 2024 has proposed to amend the Articles of association of the Company by replacing the same with the new set of Articles of Association, in view of many changes as incorporated in the new proposed Articles of Association.

The draft proposed Articles of Association is enclosed with the notice of the general meeting for consideration of the members.

As per the requirement of Section 14 and other relevant provisions of the Companies Act, 2013 for making any alteration in the Articles of Association of the Company, the consent of the members is required by passing Special Resolution and therefore an approval from the members is sought to substitute the existing Articles of Association with new set of Articles of Association.

None of the Directors, Key Managerial Personnel of the Company or their relatives or any other officials of the Company as contemplated in the provisions of Section 102 of the Companies Act, 2013 is, in any way, financially or otherwise, concerned or interested in the proposed resolution set out in Item No. 2 of the accompanied Notice, except to the extent of their representation for the respective members of the Company with special rights, if any.

The Board accordingly recommends the Special Resolution set out at Item No. 2 of the accompanied notice for approval by the Members.

## **Item No. 3**

### **Amendment in the Memorandum of Association of the Company (“MOA”)**

The Board of Directors in meeting held on 30.04.2024 has proposed that new objects should be incorporated under Clause 3(I) of the Memorandum of Association of the Company, pertaining to biofuel, other fuel and various other objects as mentioned under the special resolution. The Board is of the view that it may time to time explore various business avenues in future in this regard for the benefit of the Company.

For making any alteration in the Memorandum of Association of the Company, the consent of the members is required by passing Special Resolution to be passed in the General Meeting of the Company.

Accordingly, the approval of Members is sought for alteration of the Objects Clause of the Memorandum of Association of the Company.

None of the Directors, Key Managerial Personnel of the Company or their relatives or any other officials of the Company as contemplated in the provisions of Section 102 of the Companies Act, 2013 is, in any way, financially or otherwise, concerned or interested in the proposed resolution set out in Item No. 3 of the accompanied Notice.

The Board accordingly recommends the Special Resolution set out at Item No. 3 of the accompanied Notice for approval by the Members.

By Order of the Board of Directors  
For **Indian Sugar Exim Corporation Limited**

[ Yamini Lodha ]  
**Addl. General Manager (Legal) & Company Secretary**  
**(ICSI Membership No. A22836)**

New Delhi  
29.05.2024

**Registered Office:**  
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# PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

## INDIAN SUGAR EXIM CORPORATION LIMITED

CIN: U99999DL1969GAP005106

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Website: [www.isecindia.com](http://www.isecindia.com)

Name of the member(s):.....

Registered address:.....

E-mail Id:.....

Folio No:.....

I/We, being the member(s) of .....of the above named company, hereby appoint

1. Name: .....

Address: .....

E-mail Id: .....

Signature ....., or failing him

2. Name: .....

Address: .....

E-mail Id: .....

Signature ....., or failing him

3. Name: .....

Address: .....

E-mail Id: .....

Signature ....., or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Fifth Extra Ordinary General Meeting of the company, to be held on Monday, the 24th day of June, 2024 at 2:00 PM at Hall "Diwan I Am", The Taj Mahal Hotel, No. 1, Man Singh

Road, New Delhi – 110 011, and at any adjournment thereof in respect of such resolutions as are indicated below:

**Resolution No.**

**I t e m**

1. **Appointment of Statutory Auditor to fill casual vacancy.**
2. **Articles of Association of the Company.**
3. **Amendment in the Memorandum of Association of the Company**

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2024

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Signature of the Member

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Signature of the Proxy holder(s)

PLEASE AFFIX REVENUE STAMP
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**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office at Block-C, IInd Floor, Ansal Plaza, August Kranti Marg, New Delhi-110 049 of the Company, not less than 48 hours before the commencement of the Meeting.**

# INDIAN SUGAR EXIM CORPORATION LIMITED

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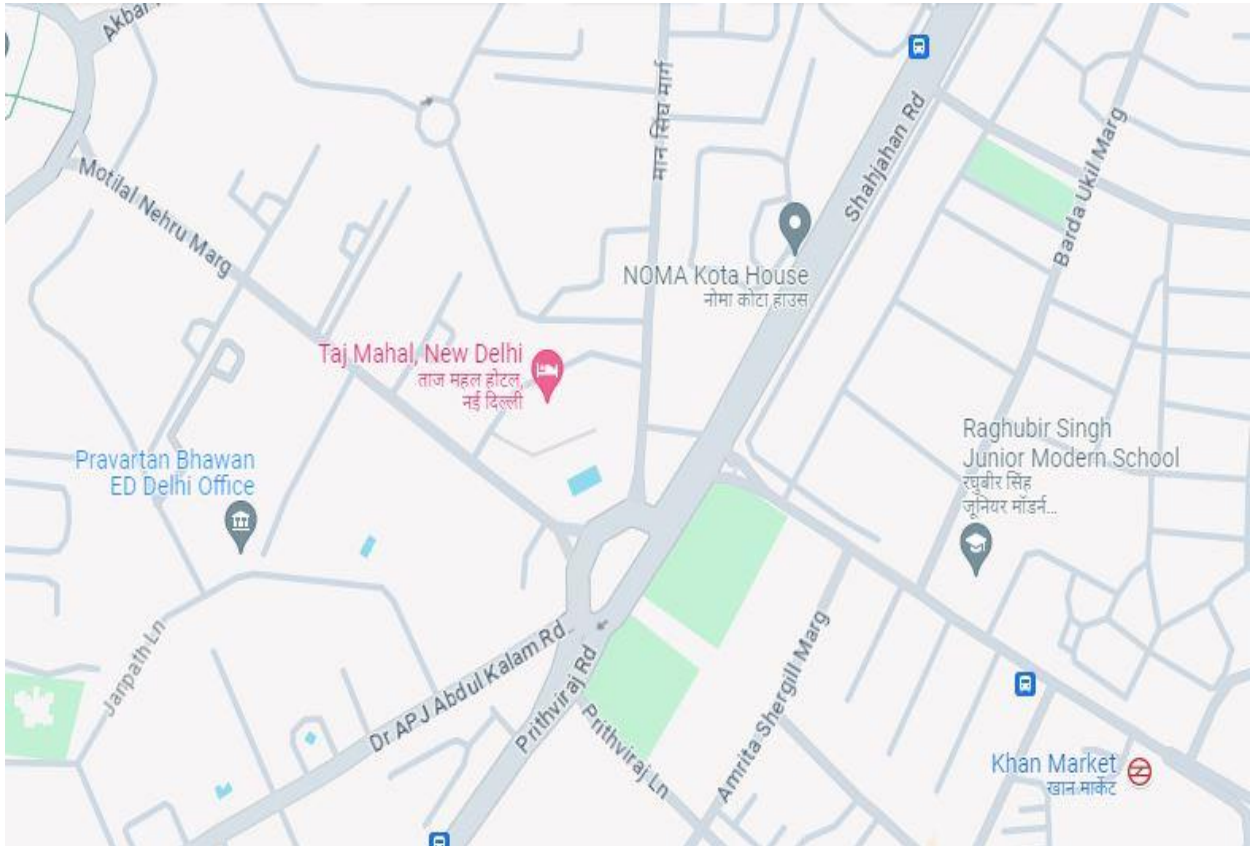
## **ATTENDANCE SLIP – 5th EGM**

<i>Folio No.</i> _____
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I, ..... (Name of Member/Proxy)  
hereby record my presence at the Fifth Extra Ordinary General Meeting of the Company  
held on Monday, the 24th day of June, 2024 at 2:00 PM at Hall “Diwan I Am”, The Taj  
Mahal Hotel, No. 1, Man Singh Road, New Delhi – 110 011.

Signature of Member / Proxy

## ROUTE MAP



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# **THE COMPANIES ACT, 2013**

**COMPANY LIMITED BY GUARANTEE**  
(incorporated under the Companies Act 1956)

## **ARTICLES OF ASSOCIATION**

**OF**

## **INDIAN SUGAR EXIM CORPORATION LIMITED**

### **1. CONSTITUTION OF THE COMPANY**

- a. The regulations contained in Table “H” of Schedule I to the Companies Act, 2013 shall apply to the Company only in so far as the same are not provided for or are not inconsistent with these Articles.
- b. This Articles of Association shall come into force from the date of approval by the members through special resolution and shall be in supersession of the existing Articles of Association. Provided that all acts, deeds and things done and powers exercised under the repealed Articles of Association till the date of repeal shall continue to remain valid and in force unless a different intention appears, express or implied, under these regulations.
- c. The regulations for the management of the Company and for the observance of the members thereof and their representatives shall be such as are contained in these Articles subject however to the exercise of the statutory powers of the Company in respect of repeal, additions, alterations, substitution, modifications and variations thereto by special resolution as prescribed by the Companies Act, 2013.

### **2. DEFINITIONS AND INTERPRETATION**

#### **I. DEFINITIONS**

In the interpretation of these Articles the following words and expressions shall have the following meanings unless repugnant to the subject or context.

- a. **“Act”** means the Companies Act, 2013 along with the relevant Rules made there under, in force and any statutory amendment thereto or replacement thereof and includes any circulars, notifications and clarifications issued by the relevant authority under the Companies Act, 2013, and applicable and subsisting provisions of the

Companies Act, 1956, if any, along with the relevant Rules made there under.

- b. **“Applicable Laws”** shall mean any applicable national, provincial, local or other law, regulations, administrative orders, ordinance, decree, principles of common law, binding governmental policies, statute or treaty, and shall include notifications, guidelines, policies, directions, directive and orders of any statutory authority, board, tribunal in India;
- c. **“Articles”** shall mean these Articles of Association of the Company or as altered from time to time.
- d. **“Auditors”** shall mean persons appointed as such for the time being by the Company in terms of section 139 of the Act.
- e. **“Board”** or **“Board of Directors”** shall mean the collective Board of Directors of the Company, as constituted from time to time, in accordance with Law and the provisions of these Articles.
- f. **“Chairman”** shall mean such person as is nominated or appointed in accordance with Article 14 herein below.
- g. **“Co-Chairman”** shall mean such person as is nominated or appointed in accordance with Article 14 herein below.
- h. **“Company”** or **“this Company”** shall mean **Indian Sugar Exim Corporation Limited.**
- i. **“ISMA”** means the Indian Sugar Mills Association, registered under the provisions of the Trade Unions Act, 1926.
- j. **“NFCSF”** means the National Federation of Cooperative Sugar Factories Limited, registered under the provisions of the Multi State Cooperative Societies Act, 2002 (39 of 2002).
- k. **“General Meeting”** shall mean and include the Annual General Meeting and the Extra-ordinary General Meeting.
- l. **“Person”** shall mean any natural person, sole proprietorship, partnership, company, LLP, body corporate, governmental authority, joint venture, trust, association or other entity (whether registered or not and whether or not having separate legal personality);
- m. **“Rules”** shall mean the rules made under the Act and as notified from time to time.
- n. **“Seal”** means the common seal of the Company.

Save as aforesaid, any words or expressions defined in the Act or Rules, shall, as the case may be, if not inconsistent with the subject or context, bear the same meaning in these Articles.

## **II. INTERPRETATION**

In these Articles (unless the context requires otherwise):

- a. References to a person shall, where the context permits, include such person's respective successors, legal heirs and permitted assigns.
- b. The descriptive headings of Articles are inserted solely for convenience of reference and are not intended as complete or accurate description of content thereof and shall not be used to interpret the provisions of these Articles and shall not affect the construction of these Articles.
- c. Words importing the singular include the plural and vice versa, pronouns importing a gender include each of the masculine, feminine and neuter genders, and where a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase shall have the corresponding meanings.
- d. Reference to statutory provisions shall be construed as meaning and including references also to any amendment or re-enactment for the time being in force and to all statutory instruments or orders made pursuant to such statutory provisions.
- e. In the event any of the provisions of the Articles are contrary to the provisions of the Act or the Rules, the provisions of the Act and Rules will prevail.

## **MEMBERS AND MEMBERSHIP**

- 3.** The minimum number of Members of the Company shall always be seven (7). The maximum number of Members in the Company shall be three hundred (300).
- 4. Eligibility and procedure for obtaining Membership of the Company:**
  - (1) Any Person fulfilling the following conditions of eligibility may apply for the Membership of the Company:
    - (i) Society registered under the provisions of the Societies Registration Act, 1860 and which owns and operates any sugar factory anywhere in India;
    - (ii) Company (including Producer Company), registered under the Act and which owns and operates any sugar factory anywhere in India;

- (iii) Body-corporate, incorporated and registered under any of the provisions of any Law in India and which owns and operates any sugar factory anywhere in India;
- (2) Applications for obtaining Membership of the Company shall be made to the Board of Directors of the Company on applicant's letter head in the format prescribed, if any, by the Company, from time to time and supported by its Board resolution, KYC documents (as may be reasonably required by the Board, from time to time) and other relevant documents.
- (3) The Board would consider such application, may ask for further information, documents and clarification and thereafter would decide to accept or reject the application for admission of new Member in the Company. The decision of the Board of Directors shall be final and the Board shall not be bound to assign any reason for its decision.
- (4) The aforesaid eligibility norm shall also be applicable in case any former Member re-applies for membership of the Company after cessation of Membership pursuant to Article 8 or otherwise.

#### **5. Members with Special rights:**

Notwithstanding anything contained above, any National organisation/ association registered under the provisions of any Law in India that represents not less than 50 (fifty) sugar factories across the country, shall be eligible to be a member with special rights.

The Board would consider such application, may ask for further information, documents and clarification and thereafter would decide to accept or reject the application and thereafter would forward the application for admission of new Member with Special Rights in the Company to the members for approval at the General Meeting.

Unless otherwise decided by the Members of the Company by way of a special resolution, for this purpose ISMA & NFCSF are the only members with special rights under various provisions of these Articles.

- 6. The aforesaid Article 4 & 5 shall not affect membership or membership rights of any of the Members of the Company already existing as on the date of this Article coming into force subject to the provisions of Article 9.
- 7. All the existing members and any new members admitted as above shall be bound by the provisions of the Articles of Association of the Company and Applicable Laws.

#### **8. Cessation of Membership**

- (i) A Member of the Company may resign from Membership by submitting a Letter of Surrender of Membership in writing addressed to the Board of Directors of the Company, mentioning its intention to do so. The Board



before taking on record such surrender of Membership may ask for additional documents (like authorization resolution, any confirmation, declaration etc.), as it thinks fit. The Member shall cease to be a member from the date such cessation is accepted and taken on record by the Board.

- (ii) A Member shall cease to be a Member of the Company:
- a. In case a member is an individual, if he is an un-discharged insolvent or if he is adjudged by a competent court to be of unsound mind or if he is convicted of an offence involving moral turpitude or upon his death; or
  - b. In case of a Firm or Sole Proprietary or Partnership or Limited Liability Partnership (LLP) or Association of Persons (AOP) etc. if it's dissolved or adjudged insolvent or the Partners are convicted of offence involving moral turpitude; or,
  - c. In case of a Company or Body Corporate or Society or any other form of registered Organization, (i) if it is under winding up or liquidated, or(ii) if its name has been struck off by the Registrar of Companies or Registrar of Societies or Registrar of Co-operative Societies or concerned Government Agency or (iii) if it was defunct or dormant for more than three years or(iv) if it is dissolved due to operation of law under a scheme of arrangement or any other manner, whatsoever or (v) if it is before NCLT under the IBC proceedings and Resolution Professional has been appointed.
  - d. In case the Member's sugar factory is non-operational or not functioning or there has been no production for more than three continuous sugar seasons, unless the Board decides otherwise; or,
  - e. If the Member is in default in payment of any dues to the company and within 60 days from the date of the notice by the Company seeking such amounts has not settled the same; or
  - f. If the Member does not update/ provide the information required for KYC compliance and as sought by the Board under Article 9 and/ or otherwise, within 60 days from the date of the notice seeking such information, provided that the Board shall after forming their opinion for the cessation of a Member send a written notice of cessation via Registered Post to the registered address/ last known address of the concerned member and in case the concerned member is still not traceable or has not responded to the notice within 15 days, stating reasons in its representation as to why it should not be removed from the register of members, then the Board shall take a final approval vide a special resolution from the members of the Company for removal of such member and once approved, the concerned member shall be deemed to have ceased to be a member from the date the General Meeting in which the decision was taken;

- g. If the continuance of the Members is considered (for reasons which the Board shall not be bound to disclose, if deemed necessary by the Board, in the interest of the Company) to be detrimental to the interest of the Company, the membership of such a member may be terminated by a special resolution passed by the members of the Company entitled to vote and present at a General Meeting of the Company provided that the consideration of the termination of such a Member forms part of the agenda of such a Meeting. On passing of such a resolution, the person concerned shall cease to be a member of the Company.
- 9.** The decision of the Board on all questions, interpretational issues, formalities and procedures relating to admission or cessation or continuance of Membership shall be final. The Board of Directors shall decide all questions, formalities and procedures, in accordance with the Act, relating to collection of such information/ data or any other information/ data of any Member and their decision shall be final.
- 10.** The Membership of the Company is non-transferable. However, this does not debar the endorsement of new name of Member (including due to amalgamation or merger or demerger or through any Scheme of Arrangement) in the Register of member of the Company.

## **BOARD OF DIRECTORS**

- 11.** (1) The total strength of the Board of Directors shall not be less than the minimum number of Directors required in case of a public limited company and shall not be more than 16 (sixteen).
- (2) The Board shall comprise of the following:
- (i) 8 (eight) non-executive Directors to be appointed based on the recommendation of ISMA;
  - (ii) 5 (five) non-executive Directors based on the recommendation of NFCSF;
  - (iii) 2 (two) Independent Directors

Provided that in case as per the Act or Rules, more than two Independent Directors are required to be appointed, the Company can appoint such required number of Independent Directors and the maximum limit on number of Directors shall be deemed to be increased to that extent. Provided further that the Company may choose not to appoint one or more Independent Directors when it is not mandatory under applicable laws.

In addition to the above, the Company, subject to applicable laws may also appoint a Managing Director and/ or Whole Time Director

of the Company from time to time. The Managing Director shall not be a representative/nominee of ISMA or NFCSF and would be a professional chosen by the Board on the recommendation of the Nomination and Remuneration Committee, if any, and approved by the members.

- (3) ISMA and NFCSF may recommend as per aforesaid provisions, only of persons holding the position of Committee members, Directors, in their respective organization

- 12.** (1) The tenure of Directors recommended by ISMA and NFCSF shall be from the date of the Annual General Meeting in which such Director is appointed till the conclusion of the next Annual General Meeting.

Accordingly, the office of the Directors appointed on recommendation of ISMA and NFCSF shall be liable to retire at each Annual General Meeting but shall be eligible for re-appointment, subject to the provisions of the Act.

- (2) The tenure of the Managing Director/ Wholetime director and the Independent Directors shall be as per the terms of their appointment and resolution passed by the members for their appointment and as per the provisions of the Act and Rules and they shall not be liable to retire by rotation.
- (3) ISMA and NFCSF shall, voluntarily, on or before 31st July each year or in any event at the intimation of the Company by its Chairman or Managing Director or Company Secretary regarding proposed Annual General Meeting, at least two months before the proposed date of each Annual General Meeting submit the names of proposed Directors to be recommended to be appointed as Directors of the Company.
- (4) Any vacancy in the Board of Directors arising between one Annual General Meeting and another shall be filled in by the Board of Directors, as recommended by ISMA or NFCSF, depending on the body, which the vacating Director represented.

- 13.** In accordance with Act and Rules and within the overall strength of the Board of Directors as provided under Article 11 (1), the Board of Directors shall have the power to appoint Additional Directors and also Director to be appointed in casual vacancy. There shall however be no Alternate Director.

- 14.** There shall be a Chairman and Co-Chairman of the Company. The Chairman of the Company will also be the Chairman of the Board of Directors, to be appointed out of the Directors recommended by ISMA and NFCSF. The office of Chairman and Co-chairman shall be on rotation basis between ISMA and NFCSF on year-to-year basis for a calendar year.

For example, if in any calendar year a director representing ISMA is the Chairman, in the next calendar year, a Director representation NFCSF shall be the Chairman, and vice-versa. Similarly, if a Director representing NFCSF

is Co-Chairman, the next year, a Director representation NFCSF shall be the Co-Chairman and vice-versa.

In the absence of the Chairman, the Co-Chairman shall have the powers and perform the duties of the Chairman.

## **FUNCTIONS/ POWERS OF THE BOARD**

- 15.** The management of the business and funds of the Company shall be vested in the Board of Directors. In addition to the powers expressly conferred upon them, the Board shall be entitled to exercise all such powers and do all such acts and things as may be exercised or done by the Company including carrying out of all the objects of the Company as set out in its Memorandum of Association, provided that any of these objects is not hereby or by law expressly directed or required to be exercised or done by the Company in the General meeting.
- 16.** Without prejudice to the generality of the powers conferred by Article 15 hereof the Board shall have power and authority:
  - (a) To make, vary and repeal rules for the regulation of the business of the Company including rules and regulations for the proper and smooth functioning of all the departments and sections and also for the rules and regulations for the officers, employees and members of the Company.
  - (b) To constitute any Committee of the Board, on such terms and conditions and with such terms of reference, as prescribed under the provisions of the Act and Rules and also any additional terms of reference, as may be decided by the Board from time to time.
  - (c) To delegate any power, function or authority of the Board to any Committee of the Board by constituting one or more Committee of the Board on such terms and conditions and with such terms of reference, as may be decided by the Board from time to time.
  - (d) To delegate any power, function, authority or role to any Committee (as executive committee, departmental committee, regional committee, management committees or any other committee, including any sub-committee thereof), comprising of any officer and/ or employees and/ or professional consultants, along with or without any Board members part of such committee, on such terms and conditions and with such terms of reference, as may be decided by the Board from time to time.
  - (e) To delegate any power, function, authority or role to any officer or employees of any other persons, from time to time, as it deems fit.
  - (f) To make, vary and repeal, any rules & regulation, terms & conditions and terms of reference of any committee and sub-committee.

- (g) To control the finances of the Company, to open such Bank accounts as are necessary and from time to time at their discretion to make or borrow any sum or sums of money from banks or other institutions or persons or to make any arrangements for finance for the purpose of the Company;
- (h) To appoint and from time to time remove employees at all ranks of the Company as they think fit and to fix the remuneration to be made and the other terms and conditions of employment;
- (i) To institute, prosecute and defend suits and other legal proceedings in which the Company is a party or is concerned with, in any Court, tribunal or otherwise or to refer disputed matters to arbitration or to compromise, withdraw and settle the same on such terms as they may deem fit and proper;
- (j) To appoint attorneys and to delegate any or such of their powers to such attorneys or to any of the officers of the Company as they deem fit and proper;

#### **PROCEEDINGS AT THE MEETINGS OF THE BOARD**

- 17.** (a) The Chairman shall, when present, preside at all meetings of the Company and its Board of Directors.
- (b) If the Chairman is not present at any meeting of its Board, the Co-Chairman shall be the Chairman of the Meeting. In the absence of the Chairman and the Co-Chairman the members of the Board present at the meeting shall elect one among themselves to be the Chairman of the particular meeting.
- (c) The Board shall meet at such times as they or the Chairman may consider advisable and may make such regulations as they think proper as to the summoning and holding of the Meetings of the Board and for transacting the business at such Meetings.
- (d) At any Meeting of the Board one-third of the total strength of the Board shall constitute a quorum and if no such quorum is present within half an hour from the time appointed for the commencement of the meeting, the meeting shall stand adjourned to such other day, time and place as the Chairman/ Co-Chairman may determine.
- (e) Each director on the Board, including the Chairman, shall have one vote and in case of a tie the Chairman shall, in addition to his own vote, have a casting vote.
- (f) The record of the proceedings of the Board shall be open for examination to the Directors, subject to the provisions of the Act & Rules and to such regulations not inconsistent therewith as the Board may from time to time deem fit and expedient.

- (g) Subject to the Act and Rules; any Board Meeting may be called through audio-visual mode or any other permissible electronic mode.
- (h) Subject to the terms and conditions and terms and reference of any committee, the rules and regulations (like notice of meeting, proceeding of meeting, its recording etc.) as applicable to the Board Meeting shall apply, mutadis-mutandis, to the meetings of such committee.
- (i) Any business which may be necessary for the Board to transact may, if the Chairman so directs, and subject to the provisions of Section 175 of the Act be carried out by circulation of paper among all its Directors and any resolution so circulated and approved by the majority of such Directors signing shall be as effectual and binding as if the resolution had been passed at a meeting of the Board of Directors.

When any business is so referred to the Directors of the Board by circulation a period of not less than seven (7) clear days shall be allowed for the receipt of replies from the Directors, such period being reckoned from the date on which the notice of the business is issued.

- (j) No Director of the Company shall be entitled to any remuneration but is entitled to claim travelling, boarding and lodging expenses incurred for attending meetings of the Board or Committee thereof;

Provided that the Independent Directors of the Company may be remunerated to such fees for attending a meeting of the Board or Committee thereof as may be decided by the Board of Directors of the Company from time to time, within the maximum limits as prescribed by the Act or the Central Government, or if not so prescribed, in such manner as the Board may decide from time to time in conformity with the provisions of law.

The Managing Director or whole Time Director if appointed shall be entitled to such remuneration, as may be decided by the Board of Directors of the Company from time to time in accordance with the provisions of law.

Chairman /Co-chairman shall however be entitled to claim expenses incurred in connection with the business of the Company.

## **GENERAL MEETINGS**

- 18.** All general meetings other than Annual General Meeting shall be called Extraordinary General Meeting.
- 19.** The Board may, whenever it thinks fit, call an Extraordinary General Meeting pursuant to the Act.

20. Subject to the Act and Rules; any General Meeting may be called through audio-visual mode or any other permissible any electronic mode.
21. No remuneration or allowance of any kind shall be paid to any Member for attending any General Meetings of the Company.
22. The Chairman and in his absence, the Co-Chairman of the Board shall preside as Chairman at every General Meeting of the Company. In case of absence of both the Chairman and the Co-Chairman of the Board of Directors, within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as Chairperson of the meeting, the Directors present shall elect one among them to be Chairperson of the meeting.
23. The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so, directed by the meeting, adjourn the meeting from time to time and from place to place. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
24. At the General Meeting and in the postal ballot process, every Member of the Company shall be entitled to one vote and in the event of an equality of votes the Chairman shall have a casting vote, in addition to his own.

#### **THE SEAL**

25. The Board may provide a Common Seal for the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof. The Common Seal shall be in the custody of the Managing Director or any other KMP (as defined under section 203 of the Act), as may be decided by the Board.

The Common Seal of the Company shall not be affixed to any instrument except under the authority of the Board of Directors or Committee thereof and in the presence of such Director and/ or Officer of the Company as the Board of Directors may appoint for the purpose and such authorized Director and Officer as aforesaid shall sign every instrument to which the Seal of the Company is so affixed in their presence.

#### **INDEMNITY**

26. Every Director on the Board or Officer of the Company or any person (whether an officer of the Company or not) employed by the Company as auditor shall be indemnified out of the funds of the Company against all liability incurred by him including all costs, charges and expenses in relation to anything done by him on behalf of the Company.

Every Officer or agent for the time being of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is

given in his favour or in which he is acquitted or in connection with any application under Section 463 in which relief is granted to him by the court.

**DISTRIBUTION OF ASSETS**

**27.** Subject to the provisions of the Act as to preferential payments, the assets of the Company shall, on its winding up, be applied in satisfaction of its liabilities pari-passu and, subject to such application, the balance shall be utilized in the promotion and development of the Sugar Industry in India, in such manner as may be decided by a Board of Directors of the Company.

Subject as aforesaid, in no case the assets of the Company be distributed amongst the members of the Company and shall only be utilized in the promotion and development of the Sugar Industry in India.

The Company shall not declare any dividend or distribute its profits in any manner among members.

**GENERAL POWER**

**28.** Wherever in the Act or Rules, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry out such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

