

CHARMS INDUSTRIES LIMITED

(CIN: L72900GJ1992PLC017494)

Reg. Office: 108-B/109 Sampada Building, Mithakhali Six Roads, Opp-Hare Krishna Complex,
B/H Kiran Motors, Ahmedabad-380009 Gujarat

Contact No. 09898031513 Website: www.charmsindustries.co.in E-mail: charmsitd@yahoo.com

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF CHARMS INDUSTRIES LIMITED SATURDAY, JULY 1, 2023 AT THE REGISTERED OFFICE SITUATED AT 108-B/109 SAMPADA BUILDING MITHAKHALI SIX ROADS OPP. HARE KRISHNA COMPLEX B/H, KIRAN MOTORS AHMEDABAD - 380009 WHICH IS CONCLUDED AT 4:10 P.M.

TO CONSIDER AND APPROVE THE SCHEME OF REDUCTION OF SHARE CAPITAL AND ALLIED MATTERS THEREON:

"RESOLVED THAT pursuant to Section 66 and other applicable provisions of the Companies Act, 2013 ('the Act') and the rules made thereunder ('the Rules') including any statutory modification(s) or re-enactments thereof for the time being in force) and Articles of Association of the Company and subject to confirmation by the Hon'ble National Company Law Tribunal at Ahmedabad ("NCLT") and approvals as may be required from the shareholders by way of special resolutions, Stock Exchanges (SEs), Securities and Exchange Board of India ('SEBI') and subject to the terms and conditions and modifications, if any, as may be prescribed by the above said and other appropriate authorities while granting approvals or confirmations, the consent and approval of the Board be and is hereby accorded to reduce by way of reduction of capital, the paid-up equity share capital of the Company from Rs. 4,10,61,000/- divided into 41,06,100 equity shares of Rs.10/- each fully paid up to Rs. 41,06,100/- divided into 41,06,100 equity shares of Rs. 1/- each fully paid up by cancelling the paid-up capital which has lost or is unrepresented by available tangible assets, to the extent of Rs.9/- per share upon each of the 41,06,100 equity shares which have been issued by reducing the paid-up value of all the shares in the capital of the Company from Rs.10/- per share to Re.1/- per share.

RESOLVED FURTHER THAT Company also propose to cancel the capital reserve account of Rs.31,46,530 by adjustment in debit balance of Profit & Loss Account and therefore the total amount of adjustment in debit balance of Profit & Loss Account is aggregating to Rs. 4,01,01,430/-.

RESOLVED FURTHER THAT the draft Scheme of Reduction of Capital ("Scheme") placed before the Board and initialled by Mr. Shivkumar R. Chauhan (DIN: 00841729), Managing Director of the Company, for the purposes of identification, be and is hereby approved.

RESOLVED FURTHER THAT the recommendation of Audit Committee dated July 1,2023, taking into account the Draft Scheme of Capital Reduction placed before the Board, be and is hereby noted.

RESOLVED FURTHER THAT the recommendation of Independent Directors Committee dated July 1,2023, taking into account the Draft Scheme of Capital Reduction placed before the Board, be and is hereby noted.



RESOVED FURTHER THAT draft undertaking pursuant to para 4(b) of the SEBI Master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, that the Valuation Report is not required in cases where there is no change in the shareholding pattern of the listed entity post Scheme, as placed before the Board, be and is hereby approved/noted.

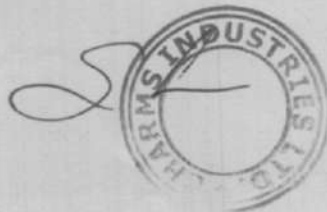
RESOVED FURTHER THAT the Auditor's certificate issued by the Statutory Auditor, M/s. Ashit Shah & Co, Chartered Accountant, confirming that the accounting treatment in the Scheme is in compliance with the accounting standards as specified in Section 133 of the Companies Act, 2013, as placed before the Board, be and is hereby noted.

RESOVED FURTHER THAT the Auditor's certificate issued by the Statutory Auditor, M/s. Ashit Shah & Co; Chartered Accountant, providing undertaking for non-applicability of requirements prescribed **Under Part I (A) (10)(C) in relation to non-applicability of requirements prescribed in sub para 10 (A)&(B) of Part I (A) of SEBI master circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023**, as placed before the Board, be and is hereby noted.

RESOVED FURTHER THAT Mr. Shivkumar R. Chauhan (DIN: 00841729), Managing Director, Mr. Parth Shivkumar Chauhan (DIN: 07571829), Director and Mr, Dilip Panchal Company Secretary of the Company, be and are hereby authorized severally to take all necessary steps for effecting the said Scheme of reduction of capital of the Company, including but not limited to:

- a. filing any affidavit, petition, pleading, application, form or reports before NCLT or any other statutory or regulatory authority including the concerned stock exchanges, SEBI, the Registrar of Companies, the Regional Director or such other authority as may be required in connection with the proposed reduction of capital or its sanction thereof and to do all such acts and deeds as they may deem necessary in connection therewith and incidental thereto;
- b. signing all applications, petitions, affidavits, undertakings, documents, letters relating to the proposed reduction of capital and represent the Company before NCLT and any other regulatory authorities in relation to any matter relating to the proposed reduction of capital or delegate such authority to any other person through a valid power of attorney;
- c. to engage advocates and other professionals to sign and execute vakalatnamas and to sign and issue public advertisements and notices;
- d. to give such directions as they may think fit and proper, including directions for settling any questions or difficulties that may arise and to do all acts, deeds and tasks, as may be deemed necessary, expedient or proper to give effect to the proposed reduction of capital and for matters connected therewith or incidental thereto."

RESOVED FURTHER THAT "Bombay Stock Exchange of India Limited (BSE-" be and is hereby appointed as the designated stock exchange for the purpose of coordinating with the Securities Exchange Board of India ("SEBI"), if and when required for the purpose of the said reduction of capital of the Company.



RESOLVED FURTHER THAT Mr. Shivkumar R. Chauhan (DIN: 00841729), Managing Director, Mr. Parth Shivkumar Chauhan (DIN: 07571829), Director and Mr, Dilip Panchal Company Secretary-of the Company, be and are hereby severally authorized to delegate powers, issue power of attorneys and authorization letters to the executives, consultants, professionals, as may be required in connection with the implementation of the proposed Scheme of reduction of capital.

RESOLVED FURTHER THAT subject to confirmation of the Scheme to be obtained from NCLT, Ahmedabad Bench, and all other approvals from any other appropriate authorities, the Company be and is hereby not required to add the words "And Reduced" to its name subsequent to such reduction of capital of the Company.

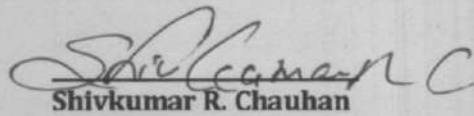
RESOLVED FURTHER THAT subject to approval from the stock exchanges, Mr. Shivkumar R. Chauhan (DIN: 00841729), Managing Director, Mr. Parth Shivkumar Chauhan (DIN: 07571829), Director and Mr, Dilip Panchal Company Secretary, be and are hereby authorized severally to do all such acts and deeds as may be required for obtaining shareholder's approval either in general meeting (or) through postal ballot and/or for providing e-voting facilities to the shareholders and to finalise the notice together with the explanatory statement to be attached to such notice to be sent to the shareholders for seeking their approval to the proposed Scheme of reduction of capital.

RESOLVED FURTHER THAT Mr. Shivkumar R. Chauhan (DIN: 00841729), Managing Director, Mr. Parth Shivkumar Chauhan (DIN: 07571829), Director and Mr, Dilip Panchal Company Secretary be and are hereby severally authorized to carry out amendments to the Scheme as directed/mandated by the aforesaid regulators/authorities/tribunal.

RESOLVED FURTHER THAT Mr. Shivkumar R. Chauhan (DIN: 00841729), Managing Director, Mr. Parth Shivkumar Chauhan (DIN: 07571829), Director and Mr, Dilip Panchal Company Secretary, be and are hereby severally authorized to sign any copy of this resolution as a certified true copy thereof and issue the same to whomsoever concerned and wherever necessary."

// CERTIFIED TRUE COPY//

For CHARMS INDUSTRIES LIMITED,



Shivkumar R. Chauhan

Managing Director

DIN: 00841729

