

# ATHANI SUGARS LIMITED

Regd. Office: Vishnuanna Nagar, Post: Navalihal-591234, Tal: Athani, Dt: Belagavi

CIN: U40109KA1995PLC017806

E-mail: [info@athanisugars.com](mailto:info@athanisugars.com), Telephone: 08338-350100, 01

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

## NOTICE

GM/01/2025

Notice is hereby given that pursuant to the provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and other applicable provisions, if any, the Extra Ordinary General Meeting (EOGM) of members of Athani Sugars Limited will be held on Monday, the 10<sup>th</sup> March, 2025 at 03:00 P.M (IST) through Video Conferencing / Other Audio Visual Means for which purpose the Registered Office of the Company shall be deemed as the venue for the Meeting and the proceedings of EOGM shall be deemed to be made thereat in conformity with the regulatory provisions and Circulars issued by the Ministry of Corporate Affairs, Government of India, to transact the following business:

### SPECIAL BUSINESS:

1. To pass the following resolution as a Special Resolution:

**“RESOLVED THAT** in accordance with the provisions of Section 62(3) and other applicable provisions, if any, of the Companies Act, 2013 including the rules and regulations issued thereunder (as amended from time to time) and in accordance with the Memorandum of Association and the Articles of Association of the Company and applicable regulations, guidelines and/or rules issued by the Reserve Bank of India and/or any appropriate statutory, governmental and other authorities and departments from time to time in this regard, the consent of the members be and is hereby accorded to the Board of Directors of the Company to borrow a sum not exceeding Rs.185 Crore (Rupees One Hundred and Eight Five Crore only) (**“Facility”**) from Indian Renewable Energy Development Agency Limited (the **“Lender”** which expression shall, unless it be repugnant to the subject or context thereof, include all successors, transferees, novates and assigns of the Lender from time to time) inter-alia for expansion of Distillery project from 90 KLPD to 400 KLPD situated at Vishnuanna Nagar, Post Navalihal, Tal: Athani, Dist: Belagavi Karnataka- 591234 (**“Project”**), on the terms and conditions contained in the sanction letter bearing reference number TS-40/27/2023-IREDA/I/3423/2023 dated 24.11.2023 (as amended and/or supplemented from time to time), the facility agreement and any other financing documents for the Facility (including in relation to the assignment or novation or down-selling of the Facility by the Lender to any Person) (**“Financing Documents”**), inter-alia by giving an option to the Lender in case of an event of default under the Financing Documents, at its sole discretion, to convert either whole or part of the loans, interest and any other outstanding secured obligation, out of the Facility (the **“Loans”**) into fully paid up and voting equity shares of the Company at the valuation to be carried out by the Lender at the time of such conversion in terms of the extant RBI guidelines, the Companies Act, 2013 and other laws as applicable on the date of conversion and in the manner specified in the written notice provided by the Lender to the Company of their intention to convert such Loans and that the conversion right reserved as aforesaid may be exercised by the Lender on one or more occasions according to the provisions of the Financing Documents and/or in accordance with Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions, 2019 dated June 07, 2019 as amended/replaced/modified from time to time.

**RESOLVED FURTHER THAT** on receipt of the notice of conversion from the Lender, the Company shall, subject to the provisions of the Financing Documents, take all steps necessary to get the equity shares, issued to the Lender as a result of such conversion and issue and allot the requisite number of fully paid-up and voting equity shares to the Lender from the date of conversion and the Lender shall accept the same in satisfaction of the part of the Loans so converted.

**RESOLVED FURTHER THAT** the fully paid up and voting equity shares so issued and allotted to the Lender pursuant to their exercising the right of conversion shall carry from the date of conversion the right to receive the proportionate dividends, if any, and other distributions to be declared, if any, in respect of the equity share capital of the Company and shall rank pari passu in all respects with other equity shares of the Company, provided further that

the Company shall increase, if required, the authorized capital of the Company to issue and allot said conversion shares.

**RESOLVED FURTHER THAT** the consent of members is hereby given for any amendment, change, modification (if any) to the Memorandum of Association and the Articles of Association of the Company to give effect to the above resolution.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board, be and is hereby authorised to take necessary steps to complete the compliance in this regard and to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem necessary, proper or required to create, offer, issue and allot the aforesaid fully paid up and voting equity shares and to resolve and settle any question, difficulty or doubt that may arise in this regard and to do all such other acts, deeds, matters and things in connection or incidental thereto as the Board in its absolute discretion may deem fit, without being required to seek any further consent or approval of the members 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.”

2. To pass the following resolution as a Special Resolution:

“**RESOLVED THAT** in accordance with the provisions of Section 62(3) and other applicable provisions, if any, of the Companies Act, 2013 including the rules and regulations issued thereunder (as amended from time to time) and in accordance with the Memorandum of Association and the Articles of Association of the Company and applicable regulations, guidelines and/or rules issued by the Reserve Bank of India and/or any appropriate statutory, governmental and other authorities and departments from time to time in this regard, the consent of the members be and is hereby accorded to the Board of Directors of the Company to borrow a sum not exceeding Rs.12.45 Crore (Rupees Twelve Crores and Forty Five Lacs only) (“**Facility**”) from Indian Renewable Energy Development Agency Limited (the “**Lender**” which expression shall, unless it be repugnant to the subject or context thereof, include all successors, transferees, novates and assigns of the Lender from time to time) inter-alia for setting up of 15 TPD CBG plant at Vishnuanna Nagar, Post Navalihal, Tal: Athani, Dist: Belagavi Karnataka- 591234 (“**Project**”), on the terms and conditions contained in the sanction letter bearing reference number TS-15/6/2024-IREDA/I/5128/2024 dated 29.08.24 (as amended and/or supplemented from time to time), the facility agreement and any other financing documents for the Facility (including in relation to the assignment or novation or down-selling of the Facility by the Lender to any Person) (“**Financing Documents**”), inter-alia, by giving an option to the Lender in case of an event of default under the Financing Documents, at its sole discretion, to convert either whole or part of the loans, interest and any other outstanding secured obligation, out of the Facility (the “**Loans**”) into fully paid up and voting equity shares of the Company at the valuation to be carried out by the Lender at the time of such conversion in terms of the extant RBI guidelines, the Companies Act, 2013 and other laws as applicable on the date of conversion and in the manner specified in the written notice provided by the Lender to the Company of their intention to convert such Loans and that the conversion right reserved as aforesaid may be exercised by the Lender on one or more occasions according to the provisions of the Financing Documents and/or in accordance with Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions, 2019 dated June 07, 2019 as amended/replaced/modified from time to time.

**RESOLVED FURTHER THAT** on receipt of the notice of conversion from the Lender, the Company shall, subject to the provisions of the Financing Documents, take all steps necessary to get the equity shares, issued to the Lender as a result of such conversion and issue and allot the requisite number of fully paid-up and voting equity shares to the Lender from the date of conversion and the Lender shall accept the same in satisfaction of the part of the Loans so converted.

**RESOLVED FURTHER THAT** the fully paid up and voting equity shares so issued and allotted to the Lender pursuant to their exercising the right of conversion shall carry from the date of conversion the right to receive the proportionate dividends, if any, and other distributions to be declared, if any, in respect of the equity share capital of

the Company and shall rank pari passu in all respects with other equity shares of the Company, provided further that the Company shall increase, if required, the authorized capital of the Company to issue and allot said conversion shares.

**RESOLVED FURTHER THAT** the consent of members is hereby given for any amendment, change, modification (if any) to the Memorandum of Association and the Articles of Association of the Company to give effect to the above resolution.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board, be and is hereby authorised to take necessary steps to complete the compliance in this regard and to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem necessary, proper or required to create, offer, issue and allot the aforesaid fully paid up and voting equity shares and to resolve and settle any question, difficulty or doubt that may arise in this regard and to do all such other acts, deeds, matters and things in connection or incidental thereto as the Board in its absolute discretion may deem fit, without being required to seek any further consent or approval of the members 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.”

3. To pass the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force), the Members do hereby approve the alteration of Articles of Association (AOA), by inserting/deleting/substituting the following existing Articles of the Company.

1. **The following definitions shall be inserted under Article 1 [c] and 1 [d] after the existing Article 1 [b] of the AOA of the Company:**

1 [c] “**Lenders**” shall mean, collectively, all such banks, financial institutions, non-banking financing companies (including their respective assignees and novates from time to time) who have agreed to provide/provided any fund based/non-fund based financial assistance to the Company as per the terms of the Financing Documents. The term “**Lender**” shall refer to any and / or each of the Lenders individually.

1[d] “**Financing Documents**” shall mean all the agreements/deeds/undertakings/documents/writings/letters executed/to be executed in relation to the fund based/non-fund based financial assistance availed by the Company in relation to the main and/or ancillary objects as stated under its memorandum of association.

2. **Existing Article 22 shall be renumbered as Article 22(a) and following clause shall be instituted as Article 22(b):**

“22(b). Notwithstanding anything contrary stated in Articles 19-22 (a) hereinabove and other provisions of these regulations/articles, the Board /Directors shall not register any infusion/transfer/ pledge of shares or any securities issued by the Company made in contravention of the provisions of the Financing Documents nor shall the Board/Directors exercise any rights available to the Company relating to the shares of the Company, in contravention of the provisions of the Financing Documents. Provided however, any request for transfer of shares or other securities by the Lenders (acting on their own or through their agents/trustee), claiming to invoke the pledge/lien/charge, etc., over the shares or securities of the Company shall be duly recognized and taken on record by the Company and all its shareholders without any delay, demur or objection in accordance with applicable laws and regulations.”

3. **The Article 58 of the AOA of the Company shall be substituted with the following clause:**

58. The minimum number of the directors shall be 3 and maximum number of directors shall be 18. The present directors of the Company are as follows:

- i. Shri. Shrimant Balasaheb Patil
- ii. Shri. Shrinivas Shrimant Patil
- iii. Shri. Yogesh Shrimant Patil
- iv. Shri. Sushant Shrimant Patil
- v. Shri. Suhas Shivajirao Patil
- vi. Shri. Nivrutti Yeshwant Jadhav

- vii. Shri. Prakash Venkatrao Chavan
- viii. Shri. Uttam Pandit Patil
- ix. Shri. Shankarrao Shamrao Patil
- x. Shri. Krishnarao Jotiram Mohite
- xi. Shri. Abdulbari Abdulrazak Mulla
- xii. Sou. Ujwala Shrimant Patil
- xiii. Shri. Pravin Bharat Patil

4. **Existing Article 73 shall be renumbered as Article 73 (a) and following clause shall be instituted as Article 73 (b).**

*“73 (b). Notwithstanding anything to the contrary contained in these regulations/AOA, any Lender shall be entitled to appoint, remove or replace from time to time, such non-executive director(s) and/ or observer(s) on the board of directors (“Board”) of the Company as per the terms of the respective Financing Documents, till the date on which all the secured obligations of the Company with respect to the loan facilities of those Lender(s) shall have been irrevocably and unconditionally paid, performed and discharged in full, to the satisfaction of the Lender(s) (hereinafter as the “Nominee Director” or “Observer” as the case may be). Neither the Nominee Director nor the Observer shall be required to hold qualification shares nor be liable to retire by rotation. The Nominee Director shall be appointed as member of the committees of the Board, if so desired by the said Lender(s). The Nominee Director and/or the Observer shall be entitled to receive all notices, agenda and any other information and to attend all general meetings and board meetings and meetings of any committees of the Board. In the event the Nominee Director is unable to attend any of the above meetings or has not been appointed by the Lender, the said Nominee Director/ Lender (as the case may be) then may depute an Observer to attend the meeting and such deputation shall be in addition to and not in substitution. The expenses incurred by the said Lender in this connection shall be borne and payable by the Company. The Nominee Director or the Observer shall have the right to furnish to the Lender(s) reports of the proceedings of all such meetings and the Company shall not have any objection to the same.*

*The appointment or removal of the Nominee Director/Observer shall be by notice in writing by the said Lender(s) addressed to the Company and shall take effect forthwith upon such a notice being delivered to the Company. The Nominee Director shall be entitled to all the rights and privileges of other non-executive directors of the Board and the sitting fees, and expenses as payable to other directors on the Board and any other fees, commission, monies or remuneration in any form payable to the non-executive directors, the fees, commission, monies and remuneration in relation to such Nominee Director shall accrue to the Lender(s) who appoints and the same shall accordingly be paid by the Company directly to the Lender(s). All expenditure incurred by the Lender(s) or the Nominee Director or both in connection with their appointment of directorship shall be borne and payable by the Company. The Company shall ensure that the Nominee Director and/or the Observer shall be entitled to the same indemnities as the Directors and shall be indemnified by the Company against any liabilities, losses, damages, claims, penalties, judgments, suits, costs and expenses arising as a result of its actions pursuant to the appointment as a Nominee Director/Observer (as the case may be) and shall have all the rights and remedies available to them as per the Financing Documents.*

5. **The following Article 89 (Miscellaneous) shall be inserted after the existing Article 88 of the AOA of the Company:**

*The provisions of the Financing Documents shall be deemed to be incorporated by reference herein for the purposes of compliance and observance thereof by the Company, its members and directors. It is hereby agreed, acknowledged and confirmed that the provisions of the Financing Documents shall prevail over any provisions inconsistent therewith (whether contained herein or in any other document/ instrument relatable to the Company and/or its members) and; all such consistent provisions herein/ or in any other document/ instrument relatable to the Company shall stand automatically waived/ amended or modified.”*

By order of the Board of Directors  
For Athani Sugars Limited

Sd/-  
Shrimant B. Patil  
Chairman  
DIN : 00622368

Place: Vishnuanna Nagar  
Date : 15<sup>th</sup> February, 2025

**Notes:**

1. Pursuant to General Circulars No. 14/2020 dated 08.04.2020, No. 03/2022 dated 05.05.2022, No. 11/2022 dated 28.12.2022 and No. 09/2023 dated 25.09.2023 and No. 9/2024 dated 19.09.2024 issued by the Ministry is convening the EOGM through Video Conferencing ('VC') or Other Audio- Visual Means ('OAVM'), without the physical presence of the Members, at a common venue.
2. Since this EOGM will be held through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM'), Members will not be able to appoint proxies for this meeting; accordingly, proxy forms are not being provided herewith this notice. Further, Attendance Slip and Route Map are not being annexed to this Notice.
3. An Explanatory statement pursuant to section 102 of the Companies Act, 2013 in respect of resolutions set out at item No. 1 to 3 of the Notice is annexed hereto.
4. Members are requested to use the nomination facility for their shares. A nomination form is enclosed herewith. Alternatively, members may also contact their respective depository participant for same.
5. Members are requested to notify any change in their address to the Company. Members are requested to inform their Email address, Mobile numbers as well as Aadhar Number to the company. Those shareholders who have not registered their email address with their depository participant or wish to update a fresh email address may do so by approaching their respective depository participant.
6. Members may note that the Notice of the EOGM will also be available on the Company's website [www.athanisugars.com](http://www.athanisugars.com).
7. Members attending the EOGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
8. 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 MCA General Circulars No. 14/2020 dated 08.04.2020, No. 03/2022 dated 05.05.2022, No. 11/2022 dated 28.12.2022 and No. 09/2023 dated 25.09.2023 and No. 9/2024 dated 19.09.2024 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the EOGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-voting's agency. The facility of casting votes by a member using e-voting system on the date of the EOGM will be provided by CDSL.
9. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 21<sup>st</sup> February 2025 ("Cut-off Date"), are entitled to vote on the Resolution set forth in this Notice.
10. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the EOGM.
11. The Members may cast their votes on electronic voting system to be provided by Central Depository Services (India) Limited ("CDSL") from place other than the venue of the Meeting (remote e-Voting). The remote e-Voting will commence on 07<sup>th</sup> March, 2025 (9:00 A.M.) and will end on 09<sup>th</sup> March, 2025 (5:00 P.M.). The remote e-Voting module shall be disabled by CDSL for voting thereafter. Once the vote on a Resolution is cast by the Member, he/she shall not be allowed to change it subsequently. The Members desiring to vote through remote e-Voting are requested to refer to the detailed procedure given herein.
12. Member can opt for only one mode of voting i.e. either through remote e-voting or e-voting at the EOGM. Members who have voted using remote e-voting facility shall not be allowed to use facility of e-voting at EOGM. Since the EOGM is held through VC/OAVM, voting through ballot paper will not be provided. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.athanisugars.com](http://www.athanisugars.com) and on the website of CDSL.
13. The voting rights of Members shall be in the proportion of their shareholding in the Company as on Cut-off Date.
14. The Company has appointed Shri. Dinesh Joshi, Practicing Company Secretary (Membership No.: FCS 3752), Designated Partner, M/s. KANJ & CO. LLP, Company Secretaries, Pune as the Scrutinizer, to scrutinize the entire voting process including remote e-Voting in a fair and transparent manner.
15. Members seeking any information with regard to the above resolution to be placed at the EOGM, are requested to write to the Company on or before 05<sup>th</sup> February, 2025 through email on [info@athanisugars.com](mailto:info@athanisugars.com).



**ROCEDURE FOR REMOTE E-VOTING.**

The company has entered into an arrangement with CDSL for facilitating remote e-voting for the meeting. The instructions for remote e-voting are as under. The voting period begins on 07th March, 2025 at 9:00 A.M and ends on 09th March, 2025 at 5:00 P.M. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 21st February 2025 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.

**I. FOR SHAREHOLDERS HOLDING SHARES IN DEMAT FORM**

- (i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (ii) Click on Shareholders.
- (iii) Now Enter your User ID - Members should enter their 8 digit client id held with depository.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) Enter your PAN number in PAN column.
- (vi) In Bank Column, please enter your 8 digit client id held with depository.
- (vii) Click on "SUBMIT" tab.
- (viii) The member will now reach "Password Creation Menu" wherein they are required to mandatorily enter their login password in the New Password Screen. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) Click on the EVSN for the relevant <ATHANI SUGARS LIMITED> on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

**II. FOR SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM**

- (i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (ii) Click on Shareholders.
- (iii) Now Enter your User ID - Members should enter Folio Number registered with the Company as user ID.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) Enter the 10 Digit alpha-numeric code, which shall be combination of first 3 letters in capital form of your surname and folio number registered with company (In PAN column). For example: If first 3 letters of your surname ABC and folio number is 50, then alpha-numeric code will be ABC0000050.
- (vi) In Bank Column, please enter your Folio Number.
- (vii) Click on "SUBMIT" tab.
- (viii) The member will now reach "Password Creation Menu" wherein they are required to mandatorily enter their login password in the New Password Screen. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) Click on the EVSN for the relevant <ATHANI SUGARS LIMITED> on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

- III. If you have any queries or issues regarding attending EOGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at (022-23058738) or (022-23058543) or (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai – 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

- IV. The result of voting at the meeting including remote e-voting shall be declared after the meeting but not later than three days of the conclusion of the meeting.
- V. The result declared along with the Report of the Scrutinizer shall be placed on the website of the Company [www.athanisugars.com](http://www.athanisugars.com) and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorised by him in writing.

**INSTRUCTIONS FOR SHAREHOLDERS FOR ATTENDING THE EOGM THROUGH VC/OAVM ARE AS UNDER:**

Shareholder will be provided with a facility to attend the EOGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials as stated above. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed. Click on Live Streaming option to join the EOGM. Shareholders will be allowed to join the EOGM 30 minutes prior to the EOGM time. Before the meeting shareholders must download Cisco Webex Meet App and join the link. Shareholders who have voted through Remote e-voting will be eligible to attend the meeting. However, they will not be eligible to vote at the EOGM.

Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 2 day prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [info@athanisugars.com](mailto:info@athanisugars.com). The shareholders who do not wish to speak during the EOGM but have queries may send their queries in advance 2 day prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [info@athanisugars.com](mailto:info@athanisugars.com). These queries will be replied to by the company suitably by email.

Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

**INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE EOGM ARE AS UNDER:-**

The procedure for e-Voting on the day of the EOGM is same as the instructions mentioned above for Remote e-voting. Only those shareholders, who are present in the EOGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EOGM.

If any Votes are cast by the shareholders through the e-voting available during the EOGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be

considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

Shareholders who have voted through Remote e-Voting will be eligible to attend the EOGM. However, they will not be eligible to vote at the EOGM.

If you have any queries or issues regarding attending EOGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at (022-23058738 ) or (022-23058543) or (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES**

For shareholders holding shares in Physical form - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [info@athanisugars.com](mailto:info@athanisugars.com).

For shareholders holding shares in Demat form - Please update your email id & mobile no. with your respective Depository Participant (DP)



**EXPLANATORY STATEMENT**

(Pursuant to Section 102(1) of the Companies Act, 2013)

Annexed to the Notice dated **15<sup>th</sup> February, 2025** in respect of Special Business

**Item no. 1:**

As part of the expansion project of the Company, the Company plans to expand its distillery project situated at Vishnuanna Nagar, Post Navalihal, Tal: Athani, Dist: Belagavi, Karnataka 591234 from 90 KLPD to 400 KPLD. In order to finance the distillery expansion project, the Indian Renewable Energy Development Agency Limited (the "Lender") has sanctioned the term loan amounting to Rs. Rs.185 Crore (Rupees One Hundred and Eight Five Crore only) vide sanction letter bearing reference number TS-40/27/2023-IREDA/I/3423/2023 dated 24.11.2023. As per one of the terms and condition of the above sanction letter company needs to obtain shareholders' approval under Section 62(3) of the Companies Act, 2013 inter-alia by giving an option to the Lender, at its sole discretion, to convert either whole or part of the loans, interest and any other outstanding secured obligation, into fully paid up and voting equity shares of the Company.

The Board of Directors in its meeting held on 15<sup>th</sup> February, 2025 have passed the necessary Board resolution and seeks the shareholder's approval for same.

The Board of Directors recommends the passing of the Special resolution by the shareholders of the company as set out at item No.1 of the Notice.

None of the Directors / Key Managerial Personnel of the Company and their relatives is/are, in any way, concerned or interested, financially or otherwise, in the aforesaid resolution.

**Item no. 2:**

As part of the expansion project of the Company, the Company plans to set up 15 TPD CBG plant at Vishnuanna Nagar, Post Navalihal, Tal: Athani, Dist: Belagavi, Karnataka 591234. In order to finance the CBG plant project, the Indian Renewable Energy Development Agency Limited (the "Lender") has sanctioned the term loan amounting to Rs.12.45 Crore (Rupees Twelve Crore sand Forty Five Lacs only) vide sanction letter bearing reference number TS-15/6/2024-IREDA/I/5128/2024 dated 29.08.24. As per one of the terms and condition of the above sanction letter company needs to obtain shareholders' approval under Section 62(3) of the Companies Act, 2013 inter-alia by giving an option to the Lender, at its sole discretion, to convert either whole or part of the loans, interest and any other outstanding secured obligation, into fully paid up and voting equity shares of the Company.

The Board of Directors in its meeting held on 15<sup>th</sup> February, 2025 have passed the necessary Board resolution and seeks the shareholder's approval for same.

The Board of Directors recommends the passing of the Special resolution by the shareholders of the company as set out at item No.2 of the Notice.

None of the Directors / Key Managerial Personnel of the Company and their relatives is/are, in any way, concerned or interested, financially or otherwise, in the aforesaid resolution.

**Item no. 3:**

The existing Articles of Association (AOA) are based on Table F of Schedule I to the Companies Act, 2013. The alteration in the Articles of Association is being carried out to add some more general standard clauses as per requirement and to reflect the present Board of Directors of Company. A draft of the said proposed alteration of Articles of Association is attached with the Notice of the EOGM.

The Board of Directors in its meeting held on 15<sup>th</sup> February, 2025 have passed the necessary Board resolution and seeks the shareholder's approval for same.

The Board of Directors recommends the passing of the Special resolution by the shareholders of the company as set out at item No.3 of the Notice.

None of the Directors / Key Managerial Personnel of the Company and their relatives is/are, in any way, concerned or interested, financially or otherwise, in the aforesaid resolution.

By order of the Board of Directors

For Athani Sugars Limited

Sd/-

Shrimant B. Patil

Chairman

DIN: 00622368

Place: Vishnuanna Nagar  
Date: 15<sup>th</sup> February, 2025

**ARTICLES OF ASSOCIATION**  
**OF**  
**ATHANI SUGARS LIMITED**  
**A COMPANY LIMITED BY SHARES**

**Interpretation**

I. [1] In these regulations—

[a] “the Act” means the Companies Act, 2013,

[b] “the seal” means the common seal of the company.

*1 [c] “Lenders” shall mean, collectively, all such banks, financial institutions, non-banking financing companies (including their respective assignees and novates from time to time) who have agreed to provide/provided any fund based/non-fund based financial assistance to the Company as per the terms of the Financing Documents. The term “Lender” shall refer to any and / or each of the Lenders individually.*

*1 [d] “Financing Documents” shall mean all the agreements/deeds/undertakings/documents/ writings /letters executed/to be executed in relation to the fund based/non-fund based financial assistance availed by the Company in relation to the main and/or ancillary objects as stated under its memorandum of association.*

[2] Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

**Share capital and variation of rights**

II. 1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose off the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

2. [i] Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—

[a] one certificate for all his shares without payment of any charges; or

[b] several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

[ii] Every certificate shall specify the shares to which it relates and the amount paid-up thereon and shall be signed by two directors or by a director and the company secretary, wherever the company has appointed a company secretary: Provided that in case the company has a common seal it shall be affixed in the presence of the persons required to sign the certificate.

[iii] In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

3. [i] If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

[ii] The provisions of Articles [2] and [3] shall mutatis mutandis apply to debentures of the company.

4. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise [even when having notice thereof] any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or [except only as by these regulations or by law otherwise provided] any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

5. [i] The company may exercise the powers of paying commissions conferred by sub-section [6] of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

[ii] The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section [6] of section 40.

[iii] The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

6. [i] If at any time the share capital is divided into different classes of shares, the rights attached to any class [unless otherwise provided by the terms of issue of the shares of that class] may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

[ii] To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking paripassu therewith.

8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

#### **Lien**

9. [i] The company shall have a first and paramount lien—

[a] on every share [not being a fully paid share], for all monies [whether presently payable or not] called, or payable at a fixed time, in respect of that share; and

[b] on all shares [not being fully paid shares] standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

[ii] The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made—

[a] unless a sum in respect of which the lien exists is presently payable; or

[b] until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

11. [i] To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

[ii] The purchaser shall be registered as the holder of the shares comprised in any such transfer.

[iii] The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

12. [i] The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

[ii] The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

#### **Calls on shares**

13. [i] The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares [whether on account of the nominal value of the shares or by way of premium] and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

[ii] Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

[iii] A call may be revoked or postponed at the discretion of the Board.

14. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.

15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16. [i] If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.

[ii] The Board shall be at liberty to waive payment of any such interest wholly or in part.

17. [i] Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

[ii] In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

18. The Board—

[a] may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

[b] upon all or any of the monies so advanced, may [until the same would, but for such advance, become presently payable] pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance.

#### **Transfer of shares**

19. [i] The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

[ii] The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

20. The Board may, subject to the right of appeal conferred by section 58 decline to register—

[a] the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

[b] any transfer of shares on which the company has a lien.

21. The Board may decline to recognise any instrument of transfer unless—

[a] the instrument of transfer is in the form as prescribed in rules made under sub-section [1] of section 56;

[b] the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

[c] the instrument of transfer is in respect of only one class of shares.

22. [a] On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

*[b] Notwithstanding anything contrary stated in Articles 19-22 [a] hereinabove and other provisions of these regulations/articles, the Board /Directors shall not register any infusion/transfer/ pledge of shares or any securities issued by the Company made in contravention of the provisions of the Financing Documents nor shall the Board/Directors exercise any rights available to the Company relating to the shares of the Company, in contravention of the provisions of the Financing Documents. Provided however, any request for transfer of shares or other securities by the Lenders (acting on their own or through their agents/trustee), claiming to invoke the pledge/lien/charge, etc., over the shares or securities of the Company shall be duly recognized and taken on record by the Company and all its shareholders without any delay, demur or objection in accordance with applicable laws and regulations."*

#### **Transmission of shares**

23. [i] On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.

[ii] Nothing in clause [i] shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

24. [i] Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—

[a] to be registered himself as holder of the share; or

[b] to make such transfer of the share as the deceased or insolvent member could have made.

[ii] The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

25. [i] If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

[ii] If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

[iii] All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

#### **Forfeiture of shares**

27. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

28. The notice aforesaid shall—

[a] name a further day [not being earlier than the expiry of fourteen days from the date of service of the notice] on or before which the payment required by the notice is to be made; and

[b] state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

29. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

30. [i] A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

[ii] At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

31. [i] A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

[ii] The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

32. [i] A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

[ii] The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

[iii] The transferee shall thereupon be registered as the holder of the share; and

[iv] The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

33. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### **Alteration of capital**

34. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

35. Subject to the provisions of section 61, the company may, by ordinary resolution,—

[a] consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

[b] convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

[c] sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

[d] cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

36. Where shares are converted into stock,—



[a] the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

[b] the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage [except participation in the dividends and profits of the company and in the assets on winding up] shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

[c] such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

37. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—

[a] its share capital;

[b] any capital redemption reserve account; or

[c] any share premium account.

#### **Capitalisation of profits**

38. [i] The company in general meeting may, upon the recommendation of the Board, resolve—

[a] that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

[b] that such sum be accordingly set free for distribution in the manner specified in clause [ii] amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

[ii] The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause [iii], either in or towards—

[A] paying up any amounts for the time being unpaid on any shares held by such members respectively;

[B] paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

[C] partly in the way specified in sub-clause [A] and partly in that specified in sub-clause [B];

[D] A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

[E] The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

39. [i] Whenever such a resolution as aforesaid shall have been passed, the Board shall—

[a] make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

[b] generally do all acts and things required to give effect thereto.

[ii] The Board shall have power—

[a] to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

[b] to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

[iii] Any agreement made under such authority shall be effective and binding on such members.

#### **Buy-back of shares**

40. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

#### **General meetings**

41. All general meetings other than annual general meeting shall be called extraordinary general meeting.

42. The Board may, whenever it thinks fit, call an extraordinary general meeting.

#### **Proceedings at general meetings**

43. [i] No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

[ii] Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

44. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

45. If there is no such Chairperson, or if he is not present 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 of their wholetime directors to be Chairperson of the meeting.

46. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

**Adjournment of meeting**

47. [i] 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.

[ii] No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

[iii] When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

[iv] Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

**Voting rights**

48. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—

[a] on a show of hands, every member present in person shall have one vote; and

[b] on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

50. [i] In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

[ii] For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

51. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

52. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

53. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

54. [i] No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

[ii] Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

**Proxy**

55. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

57. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

**Board of Directors**

58. The minimum number of the directors shall be 3 and maximum number of directors shall be 18. The present directors of the Company are as follows:

- i. Shri. Shrimant Balasaheb Patil
- ii. Shri. Shrinivas Shrimant Patil
- iii. Shri. Yogesh Shrimant Patil
- iv. Shri. Sushant Shrimant Patil
- v. Shri. Suhas Shivajirao Patil
- vi. Shri. Nivrutti Yeshwant Jadhav

- vii. Shri. Prakash Venkatrao Chavan
- viii. Shri. Uttam Pandit Patil
- ix. Shri. Shankarrao Shamrao Patil
- x. Shri. Krishnarao Jotiram Mohite
- xi. Shri. Abdulbari Abdulrazak Mulla
- xii. Sou. Ujwala Shrimant Patil
- xiii. Shri. Pravin Bharat Patil

59. [i] The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

[ii] In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

[a] in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

[b] in connection with the business of the company.

60. The Board may pay all expenses incurred in getting up and registering the company.

61. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may [subject to the provisions of that section] make and vary such regulations as it may think fit respecting the keeping of any such register.

62. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

63. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

64. [i] Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

[ii] Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

#### **Proceedings of the Board**

65. [i] The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

[ii] A Chairperson or any wholetime director may, and the manager or secretary on the requisition of a Chairperson or any wholetime director shall, at any time, summon a meeting of the Board.

66. [i] Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

[ii] In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

67. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

68. [i] The Board may elect a Chairperson of the company or its meetings and determine the period for which he is to hold office.

[ii] If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the wholetime directors present may choose one of their number to be Chairperson of the meeting.

69. [i] The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

[ii] Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

70. [i] A committee may elect a Chairperson of its meetings.

[ii] If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

71. [i] A committee may meet and adjourn as it thinks fit.

[ii] Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

72. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

73. [a] Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

*[b] Notwithstanding anything to the contrary contained in these regulations/AOA, any Lender shall be entitled to appoint, remove or replace from time to time, such non-executive director(s) and/ or observer(s) on the board of directors ("**Board**") of the Company as per the terms of the respective Financing Documents, till the date on which all the secured obligations of the Company with respect to the loan facilities of those Lender(s) shall have been irrevocably and unconditionally paid, performed and discharged in full, to the satisfaction of the Lender(s) (hereinafter as the "**Nominee Director**" or "**Observer**" as the case may be). Neither the Nominee Director nor the Observer shall be required to hold qualification shares nor be liable to retire by rotation. The Nominee Director shall be appointed as member of the committees of the Board, if so desired by the said Lender(s). The Nominee Director and/or the Observer shall be entitled to receive all notices, agenda and any other information and to attend all general meetings and board meetings and meetings of any committees of the Board. In the event the Nominee Director is unable to attend any of the above meetings or has not been appointed by the Lender, the said Nominee Director/ Lender (as the case may be) then may depute an Observer to attend the meeting and such deputation shall be in addition to and not in substitution. The expenses incurred by the said Lender in this connection shall be borne and payable by the Company. The Nominee Director or the Observer shall have the right to furnish to the Lender(s) reports of the proceedings of all such meetings and the Company shall not have any objection to the same.*

*The appointment or removal of the Nominee Director/Observer shall be by notice in writing by the said Lender(s) addressed to the Company and shall take effect forthwith upon such a notice being delivered to the Company. The Nominee Director shall be entitled to all the rights and privileges of other non-executive directors of the Board and the sitting fees, and expenses as payable to other directors on the Board and any other fees, commission, monies or remuneration in any form payable to the non-executive directors, the fees, commission, monies and remuneration in relation to such Nominee Director shall accrue to the Lender(s) who appoints and the same shall accordingly be paid by the Company directly to the Lender(s). All expenditure incurred by the Lender(s) or the Nominee Director or both in connection with their appointment of directorship shall be borne and payable by the Company. The Company shall ensure that the Nominee Director and/or the Observer shall be entitled to the same indemnities as the Directors and shall be indemnified by the Company against any liabilities, losses, damages, claims, penalties, judgments, suits, costs and expenses arising as a result of its actions pursuant to the appointment as a Nominee Director/Observer (as the case may be) and shall have all the rights and remedies available to them as per the Financing Documents.*

#### **Managing Director, Chief Executive Officer, Manager, Company Secretary, Chief Financial Officer or Key Managerial Personnel**

74. Subject to the provisions of the Act,—

[i] A managing director, chief executive officer, manager, company secretary, chief financial officer or key managerial personnel may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any managing director, chief executive officer, manager, company secretary, chief financial officer or key managerial personnel so appointed may be removed by means of a resolution of the Board;

[ii] A director may be appointed as chief executive officer, manager, company secretary, chief financial officer or key managerial personnel.

#### **The Seal**

75. [i] The Board shall provide for the safe custody of the seal.

[ii] The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of one director or secretary or any other person as the Board or a committee of the Board may authorize for the purpose; and the person aforesaid shall sign every instrument to which the seal of the company is so affixed.

#### **Dividends and Reserve**

76. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

77. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

78. [i] The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments [other than shares of the company] as the Board may, from time to time, thinks fit.

[ii] The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

79. [i] Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

[ii] No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

[iii] All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

80. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise.

81. [i] Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic payment mode or cheque, demand draft or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

[ii] Every such demand draft, cheque or warrant shall be made payable to the order of the person to whom it is sent.

82. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

83. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

84. No dividend shall bear interest against the company.

#### **Accounts**

85. [i] The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

[ii] No member [not being a director] shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

#### **Winding up**

86. Subject to the provisions of Chapter XX of the Act and rules made thereunder—

[i] If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

[ii] For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

[iii] The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

#### **Indemnity**

87. [i] Subject to the provisions of section 197 of the Act, every Director of the company and the Manager, Secretary and other officer or employee of the company shall be indemnified by the company against, and it shall be the duty of the Director out of the funds of the company to pay all costs the losses and expenses (including traveling expenses) which such Directors, Manager, Secretary, and other officer or employee may incur or become liable to by reason of any contract entered into or act or deed done by him as such Director, Manager, Secretary, Officer or Servant or in any way in the discharge of his duties, and the amount for which such indemnity is provided, shall immediately attach as a lien on the property of the company and have priority between the members over all other claims.

[ii] Every officer 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 which relief is granted to him by the court or the Tribunal.

#### **Secrecy Clause**



## ATHANI SUGARS LIMITED

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88. Subject to the Provisions of the Act, no member shall be entitled to visit or inspect any works of the company without the permission of the Directors or to require discovery of or any information respecting any detail of the company's business or trading or any other matter which is or may be in the nature of a trade secret, mystery of trade or secret process or which may relate to the conduct of the business of the company and which in the opinion of the Directors, will be inexpedient in the interests of the members of the company to communicate to the public.

### Miscellaneous Clause

89. *The provisions of the Financing Documents shall be deemed to be incorporated by reference herein for the purposes of compliance and observance thereof by the Company, its members and directors. It is hereby agreed, acknowledged and confirmed that the provisions of the Financing Documents shall prevail over any provisions inconsistent therewith (whether contained herein or in any other document/ instrument relatable to the Company and/or its members) and; all such consistent provisions herein/ or in any other document/ instrument relatable to the Company shall stand automatically waived/ amended or modified.*

We, the several persons whose names and addresses are subscribed hereunder are desirous of being formed in to a Company in pursuance of these Articles of Association:

SL. NO.	NAME DESCRIPTION OCCUPATION OF THE SUBSCRIBERS	ADDRESSES OF THE SUBSCRIBERS	SIGNATURE OF THE SUBSCRIBERS
1]	SHRIMANT BALASAHEB PATIL S/O: BALASAHEB PATIL OCCUPATION: AGRICULTURIST	A/P: SHINAL, TAL: ATHANI DIST: BELGAUM	SD/-
2]	ABDULRAZAK DASTIGIRSAHEB MULLA. S/O: DASTIGIRSAHEB MULLA OCCUPATION: TRANSPORTER	A/P: ATHANI TAL: ATHANI DIST: BELGAUM	SD/-
3]	SIDAGOUDA ANNAGOUDA PATIL, S/O: ANNAGOUDA PATIL OCCUPATION: AGRICULTURIST	A/P: HULGABALI TAL: ATHANI, DIST: BELGAUM	SD/-
4]	TAMANNAPPA NANAPPA PATIL S/O: NANAPPA PATIL OCCUPATION: AGRICULTURIST	A/P: ZUNJARWAD TAL: ATHANI, DIST: BELGAUM	SD/-
5]	RAOSAHEB BABAGOUDA PATIL S/O: BABAGOUDA PATIL OCCUPATION: AGRICULTURIST	A/P: NANDGAON TAL: ATHANI, DIST: BELGAUM	SD/-
6]	SMT. SHAILA JAGANNATH KARCHI W/O: JAGANNATH KARCHI OCCUPATION: SOCIAL WORKER	A/P: AINAPUR TAL: ATHANI, DIST: BELGAUM	SD/-
7]	MAHAVEER DASHARATH DANOLI S/O: DASHARATH DANOLI OCCUPATION: AGRICULTURIST	A/P: AINAPUR TAL: ATHANI, DIST: BELGAUM	SD/-

NAME & ADDRESS OCCUPATION  
& SIGNATURE OF THE WITNESS  
OF THE SUBSCRIBERS

G. A. MEKALKE S/O: APPASAHEB  
CHARTERED ACCOUNTANT  
(MNO: 25802)  
1779, KELKAR BAUG,  
**BELGAUM – 590 002**

PLACE: BELGAUM  
DATE: 04.05.1995