

SOBHAGYA MERCANTILE LIMITED

CIN: L45100MH1983PLC031671

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CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF SOBHAGYA MERCANTILE LIMITED HELD ON TUESDAY, THE 16TH DAY OF APRIL, 2024 AT 02:00 P.M. AT THE CORPORATE OFFICE OF THE COMPANY SITUATED AT 526, 1ST FLOOR, BHANGDIYA HOUSE, NEAR GETWELL HOSPITAL, DHANTOLI, NAGPUR, MAHARASHTRA 440012.

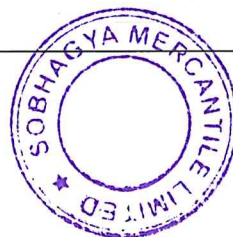
The Chairman informed the Board that in furtherance to the Resolution passed by the Board of Directors of the Company (hereinafter referred to as "Board") in its Meeting held on 12th August, 2023, regarding the raising of funds, through the issuance of equity shares of the Company (the "Equity Shares") for an amount not exceeding Rs. 25 (Twenty-five) crores by way of a rights issue to the eligible equity shareholders of the Company (hereinafter referred to as "Rights Issue") and the resolution passed for filing of Draft Letter of Offer for the Rights Issue as approved in the meeting of Rights Issue Committee held on 18th October, 2023 which was filed with the stock exchange where the equity shares of the Company are listed or such other concerned authority as may be deemed necessary, the Company has received in-principle approval from BSE Ltd (the "BSE") vide its letter dated 26th December, 2023.

Accordingly, the Chairman requested the Board to finalize and approve the terms and conditions for the Rights Issue, including but not limited to, determination of the Rights Issue price and related payment mechanism, Rights Issue size, Rights Entitlement ratio, Record Date, Rights Issue opening and closing date and other matters incidental thereto and to finalize the Letter of Offer and such other documents as may be deemed necessary and to file the same with the Registrar of Companies, the Stock Exchange, the SEBI or any other concerned authorities as may be deemed necessary.

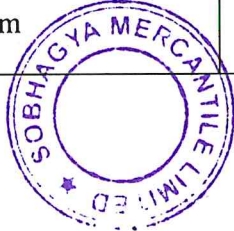
After due discussions and deliberations, the Board passed the following resolution:

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013, along with the rules made thereunder and in accordance with the provisions of the Memorandum of Association and the Articles of Association of the Company, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Foreign Exchange Management Act, 1999, as amended, rules, regulations made thereunder and any other provisions of applicable law and in furtherance to the Resolution passed by the Board in its Meeting held on 12th August, 2023, regarding the raising of funds, through the issuance of equity shares of the Company (the "Equity Shares") for an amount not exceeding Rs. 25 (Twenty-five) crores by way of a rights issue to the eligible equity shareholders of the Company (hereinafter referred to as "Rights Issue"), consent of the Board be and is hereby accorded to approve the below mentioned terms and conditions pertaining to the Rights Issue:

Instrument	Fully paid-up Equity Shares of face value of Rs. 10/-- each (the "Equity Shares")
Total number of Rights Equity Shares to be issued (assuming full subscription)	81,60,000 fully paid-up Equity Shares at face value of Rs. 10/-- each



Rights Issue Price	Rs. 21.00 per fully paid-up Equity Share of face value of Rs. 10/-- each per Equity Share (including a premium of Rs. 11 per Equity Share);
Rights Issue size	Rs. 1713.60 Lakhs
Record Date	Tuesday, April 23, 2024, designated for the purpose of determining the existing equity shareholders entitled to receive the Rights Entitlement in the Rights Issue (" Eligible Equity Shareholders ")
Rights Issue Period	Rights Issue Opening Date: Monday, May 06, 2024 Last date for on market renunciation: Thursday, May 16, 2024 Rights Issue Closing Date: -Tuesday, May 21, 2024
Rights Entitlement Ratio	34:1(Number of Rights Equity Shares that an Eligible Equity Shareholder is entitled to in proportion to the number of Equity Shares held by such Eligible Equity Shareholder on the Record Date, in this case being 34 (Thirty-Four) Rights Equity Shares for every 1 (One) Equity Share held by an Eligible Equity Shareholder
Treatment of fractional Entitlement	Not applicable
Treatment for crediting the Rights Entitlement	In accordance with Regulation 77A of the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018 read with SEBI circular bearing number SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to: (i) the demat accounts of the Resident Eligible Equity Shareholders holding the Equity Shares in dematerialized form; and (ii) a demat escrow account (named as "Sobhagya Mercantile Limited -Rights Issue Account) being opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to: (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Resident Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) credit of the Rights Entitlements returned /reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings; or (f) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form, as applicable, as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (g) non-institutional equity shareholders in the United States
Conditions for Equity Shareholders who hold Shares in physical form	Further in accordance with Regulation 77A of the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018 read with the SEBI circular bearing number SEBI/HO/CFD/PoD- 2/P/CIR/2023/00094 dated June 21,



	<p>2023, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in Dematerialized form only.</p> <p>Such Eligible Equity Shareholders holding shares in physical form, as applicable, can update the details of their respective demat accounts on the website of the Registrar (i.e. https://www.purvashare.com).</p> <p>Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Equity Shares in this Issue are advised to furnish their relevant details (such as copies of self-attested PAN and details of address proof by way of uploading on Registrar website the records confirming the legal and beneficial ownership of their respective Equity Shares) along with the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in the Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.</p> <p>Such Resident Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to the Company or the Registrar account is active to facilitate the aforementioned transfer.</p> <p>In accordance with the SEBI ICDR Master Circular, the Resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date shall not be eligible to make an Application for Rights Equity Shares against their Rights Entitlements with respect to the equity shares held in physical form.</p>
Other terms of Rights Issue	Included in the Letter of Offer to be filed by the Company with BSE Limited and SEBI as per the SEBI (ICDR) Regulations.

“RESOLVED FURTHER THAT consent of the Board be and is hereby accorded to approve and sign the Letter of Offer by the Board of Directors and Chief Financial officer of the Company wherever required.”

“RESOLVED FURTHER THAT consent of the Board be and is hereby accorded to approve the drafts of the Abridged Letter of Offer and other Rights Issue related documents, copy of which is placed before the Board.”

“RESOLVED FURTHER THAT consent of the Board be and is hereby accorded to authorize the Directors of the Company, severally, to carry all such acts, deeds and things as may be necessary to give effect to the aforementioned resolution and for all matters connected therewith and / or incidental thereto and also settle any question, difficulty or doubt that may arise in connection with the above resolution.”



“RESOLVED FURTHER THAT a copy of the above resolutions, certified to be true by any Director of the Company be accepted by all concerned, as a duly authorized and certified copy of that resolution.”

“RESOLVED FURTHER THAT any one of the Directors of the Company be and are hereby severally authorized to:

- i) sign, execute, modify, alter, file and/or furnish and/or submit any statutory forms (in physical or digital form) and such other documents, to/with such authorities and/or person(s) as may be deemed necessary to give effect to the above resolution, from time to time;
- ii) Certify the resolution and provide copy (ies) of the same, as may be deemed necessary from time to time;
- iii) to negotiate, finalize, execute and deliver all engagement letters, agreements, and such other documents, etc., as they may in their absolute discretion, deem necessary or desirable to implement the above resolution; and
- iv) generally, do all such acts, deeds, and things as may be necessary to give effect to the aforesaid resolution and for all the matters connected therewith and/or incidental thereto and also to settle any question, difficulty or doubt that may arise in connection with the above resolution.
- v) File the letter of offer with SEBI, Stock Exchanges or any other authorities as may be required.”

CERTIFIED TRUE COPY

For and on behalf of
SOBHAGYA MERCANTILE LIMITED

MR. SHRIKANT MITESH BHANGDIYA
MANAGING DIRECTOR
DIN: 02628216

