

SMIFS CAPITAL MARKETS LIMITED

POONAM BHATIA

Company Secretary-cum-Compliance Officer

CIN: L74300WB1983PLC036342

Regd. Office: 'Vaibhav', 4F, 4, Lee Road, Kolkata – 700 020

Tel. No.: 033-2290-7400/ 7401/7402

E-mail: cs.smifs@gmail.com; Website: www.smifscap.com**Postal Ballot Notice**

[Pursuant to Section 110 read with Section 108 of the Companies Act, 2013, along with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014, as amended and applicable Circulars issued by the Ministry of Corporate Affairs, Government of India]

Notice is hereby given to the members of SMIFS Capital Markets Limited (the “Company”) that pursuant to the provisions of Section 108 and 110 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) read with the Companies (Management and Administration) Rules, 2014 including any statutory modification or re-enactment(s) thereof and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “SEBI Listing Regulations”), Secretarial Standard – 2 issued by the Institute of Company Secretaries of India and other applicable laws and regulations, that the resolutions appended below are proposed to be passed by the members of the Company through postal ballot, only by means of remote electronic voting (“remote e-voting”).

The Ministry of Corporate Affairs, Government of India vide its General Circular No. 14/2020 dated April 8, 2020, No. 17/2020 dated April 13, 2020, No. 22/2020 dated June 15, 2020, No. 33/2020 dated September 28, 2020, No. 39/2020 dated December 31, 2020, No. 10/2021 dated June 23, 2021, No. 20/2021 dated December 8, 2021, No. 3/2022 dated May 5, 2022, No. 11/2022 dated December 28, 2022 and No. 9/2023 dated September 25, 2023 (the “MCA Circulars”), has advised the companies to take all decisions of urgent nature requiring the approval of members, other than items of ordinary business or business where any person has a right to be heard, through the mechanism of postal ballot/e-voting in accordance with the provisions of the Act and rules made thereunder, without holding a general meeting, which requires physical presence of members at a common venue. Accordingly, hard copy of Postal Ballot Notice along with Postal Ballot Form and pre-paid business reply envelope will not be sent to the members and the Postal Ballot Notice is being sent only through electronic mode to those members whose names appear in the register of members/records as received from Registrar and Share Transfer Agent and Depositories as on the cut-off date i.e., Friday, September 06, 2024.

In compliance with Regulation 44 of the SEBI Listing Regulations read with Sections 108 and 110 of the Act and rules made thereunder and the MCA Circulars, the Company has extended the facility of remote e-voting for its members through Central Depository Services (India) Limited (“CDSL”), to enable them to cast their votes electronically instead of submitting the Postal Ballot Form physically. Members whose names appear in the register of members/records as received from Registrar and Share Transfer Agent and Depositories as on the cut-off date i.e. Friday, September 06, 2024 will be considered for the purpose of remote e-voting. A person who is not a member as on the cut-off date should treat this Notice for information purpose only. In the case of joint holders, only such joint holder who is higher in the order of names will be entitled to vote. The remote e-voting period commences on Sunday, September 15, 2024, at 9:00 a.m. and ends on Monday, October 14, 2024, at 5:00 p.m. The remote e-voting module shall be disabled by CDSL for voting thereafter. The instructions for remote e-voting are appended to this Notice. This Notice is also available on the Company’s website at www.smifscap.com, website of stock exchanges i.e., BSE Limited (“BSE”) at www.bseindia.com and The Calcutta Stock Exchange of India Limited (“CSE”) at www.cse-india.com [hereinafter collectively referred as the “Stock Exchanges”]; and website of CDSL at www.evotingindia.com.

An explanatory statement pursuant to Section 102 and other applicable provisions of the Act, pertaining to the resolution setting out the material facts and the reasons/ rationale thereof, is appended and forms part of this Notice.

The Board of Directors on Wednesday, September 11, 2024, has appointed Mr. Sudhansu Sekhar Panigrahi (ACS: 23187 CP No.: 19649), Practicing Company Secretary, as the Scrutinizer (the “Scrutinizer”) to conduct the postal ballot e-voting process in a fair and transparent manner.

The results of the remote e-voting conducted by postal ballot process along with the Scrutinizer’s Report will be made available on the website of the Company at www.smifscap.com, website of Stock Exchanges i.e., BSE Limited at www.bseindia.com and CSE at www.cse-india.com; and website of CDSL at www.evotingindia.com. The resolutions, if passed with the requisite majority through postal ballot, shall be deemed to have been passed,

on the last date specified for remote e-voting i.e. Monday, October 14, 2024. If a resolution is assented to by the requisite majority through postal ballot by means of remote e-voting, it shall be deemed to have been duly passed at a general meeting convened in that behalf.

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For SMIFS CAPITAL MARKETS LIMITED

P. Bhatia

(POONAM BHATIA)

Company Secretary-cum-Compliance Officer

SPECIAL BUSINESSES:

ITEM NO.1

ADOPTION OF NEW SET OF MEMORANDUM OF ASSOCIATION OF COMPANY AS PER THE COMPANIES ACT, 2013

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

“RESOLVED THAT pursuant to the provisions of section 4 and section 13 of the Companies Act, 2013, and other applicable provisions read with the rules and regulations made there under including any amendment, re-enactment or statutory modification thereof, Memorandum of Association of the Company be and is hereby altered subject to the approval of shareholders in their meeting as required to align the Memorandum of Association with the provisions of the Companies Act, 2013.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be required to be done to give effect to the aforesaid resolution.”

ITEM NO. 2

ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION OF COMPANY AS PER THE COMPANIES ACT, 2013

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

“RESOLVED THAT pursuant to the provisions of section 5 and 14 of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014, and other applicable provisions read with the rules and regulations made there under including any amendment, re-enactment or statutory modification thereof, the new set of Articles of Association be and hereby substituted for, and to the exclusion, of the existing Articles of Association of the Company to align the Articles of Association with the provisions of the Companies Act, 2013 subject to the approval of the shareholders in their meeting.”

“RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things as may be required to be done to give effect to the aforesaid resolution.”

ITEM NO. 3

ISSUANCE OF EQUITY SHARES ON A PREFERENTIAL BASIS TO THE PERSONS BELONGING TO THE NON-PROMOTER CATEGORY

To consider and, if thought fit, to pass, with or without modification, the following Resolution as a **SPECIAL RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of Sections 23 (1) (b), 42 and 62, and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any amendment thereto or re-enactment thereof), and as per the provisions of the Memorandum and Articles of Association of the Company and in accordance with the provisions of Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended (“ICDR Regulations”), and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“Listing Regulations”) and the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers Regulations), 2011 (“SEBI SAST Regulations”), subject to any other applicable rules, regulations, guidelines, notifications, circulars and clarifications issued thereunder from time to time by the Ministry of Corporate Affairs (“MCA”), Securities

and Exchange Board of India (“SEBI”), Reserve Bank of India (“RBI”), Stock Exchange and/ or any other Statutory/ Regulatory Authorities and subject to the approval (s), consent (s), permission(s) and/or sanction(s), if any, of the appropriate authorities, institutions or bodies as may be required, and subject to such conditions as may be prescribed by any of them while granting any such approval (s), consent (s), permission(s), and/ or sanction(s), and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution), consent of the members of the Company be and is hereby accorded in its absolute discretion, to create, offer, issue and allot 2,92,000 (Two Lakhs Ninety-Two Thousand) Equity Shares of the Company of Face value of Rs. 10/- (Rupees Ten Only), each, in dematerialized form, on Preferential allotment basis to Non-promoter, at a price of Rs. 64/- per equity share (Rupees Sixty-Four Only) [including a premium of Rs. 54/- (Rupees Fifty-Four Only) per Equity Share], or at such higher price as determined in accordance with Chapter V of ICDR Regulations, as may be modified or re-enacted from time to time, to the following proposed allottee, for consideration in cash, aggregating to Rs. 1,86,88,000/- (Rupees One Crore Eighty-Six Lakhs and Eighty-Eight Thousand Only) and on such other terms and conditions that the Board may deem appropriate in its absolute discretion and without requiring any further approval or consent from the Members and on such other terms and conditions that the Board may deem appropriate in its absolute discretion and without requiring any further approval or consent from the Members:

Sr. No.	Names of the Proposed Allottee	Category of The Proposed Allottee	No. of Equity Shares Proposed to Be Allotted
1	Merlin Resources Pvt. Ltd.	Non-Promoter	2,92,000

“RESOLVED FURTHER THAT in terms of the provisions of Chapter V of the SEBI ICDR Regulations, the “Relevant Date” for the purpose of determination of the floor price for the issue and allotment of Warrants is Friday, September 13, 2024, (being September 14, 2024 falls on weekend), the date 30 (thirty) days prior to the date of passing of this resolution being the last date of remote e-voting i.e. Monday, October 14, 2024.”

“RESOLVED FURTHER THAT without prejudice to the generality of the above Resolution, the issue of the Equity Shares to the Proposed Allottee under the Preferential Issue shall be subject to the following terms and conditions as prescribed under applicable laws:

• Equity Shares proposed to be issued:

a. Shall be fully paid up; and

b. Shall rank pari passu with the existing Equity Shares of the Company in all respects (including with respect to dividend and voting rights) from the date of allotment thereof; and

c. Shall be subject to the requirements of all applicable laws; and

d. shall be subject to the provisions of the Memorandum and Articles of Association of the Company.

• The entire pre-preferential equity shareholding of the Proposed Allottee, if any, shall be subject to lock-in accordance with Chapter V of the ICDR Regulations.

• The Equity Shares so allotted to the Proposed Allottee under this resolution shall not be sold, transferred, hypothecated or encumbered in any manner during the period of lock-in provided in Chapter V of the ICDR Regulations, except to the extent and in the manner permitted thereunder;

• Equity Shares proposed to be offered/ issued and allotted under the preferential issue shall be subject to a lock-in as determined in accordance with Chapter V of the ICDR Regulations.

• Each Proposed Allottee shall be required to bring in their entire consideration towards the subscription of Equity Shares offered to them on or before the date of allotment thereof and such consideration shall be paid to the Company by the Proposed Allottee from their respective bank account only, Provided, if any of the Proposed Allottee fails to apply within the stipulated time to the full extent of their eligibility, the Company shall allot the additional shares in proportion to the Proposed Allottee up to the extent of their applications received. Further, if the Proposed Allottee is found not eligible for the Preferential Allotment pursuant to

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(POONAM BHATIA)
Company Secretary-cum-Compliance Officer

any statutory or regulatory restrictions imposed, the allotment will be subject to such statutory or regulatory restrictions.

- Equity Shares so offered, issued and allotted shall not exceed the number of Shares as approved hereinabove.
- Equity Shares so allotted shall be listed and traded on BSE Limited and The Calcutta Stock Exchange of India Limited, i.e. the Stock Exchanges where the existing Equity Shares of the Company are listed, subject to the receipt of necessary regulatory permissions and approvals as the case may be.
- Proposed issue of Equity Shares shall be governed by Memorandum & Articles of Association of the Company and the respective provisions of the Companies Act, 2013 read with the rules made thereunder, ICDR Regulations, Listing Regulations, Listing Agreement with the Stock Exchange as well as the circulars, guidelines issued by SEBI or any other regulatory authority as the case may be, or any modifications thereof.

“RESOLVED FURTHER THAT the Equity Shares shall be allotted in dematerialized form within a period of 15 (fifteen) days from the date of allotment provided that where the allotment of Equity Shares is subject to receipt of any approval from any applicable regulatory authority, the allotment shall be completed within a period of 15 (fifteen) days from the date of receipt of last of such approvals.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to accept any modification(s) in the terms and conditions of the issue of the Equity Shares, as it may, in its sole and absolute discretion deem fit within the scope of this approval of Members and to make an offer to the Proposed Allottee through private placement offer cum application letter without being required to seek any further consent or approval of the Members, subject to the provisions of the Act and the ICDR Regulations, without being required to seek any further consent or approval of the Members.”

“RESOLVED FURTHER THAT the Company hereby takes note of the certificate from Mr. Sudhansu Sekhar Panigrahi, Practicing Company Secretary, (ACS 23187/CP 19649) certifying that the above issue of the Equity Shares is being made in accordance with the ICDR Regulations.”

“RESOLVED FURTHER THAT subject to the receipt of such approvals as may be required under applicable laws, the consent of the Members of the Company be and is hereby accorded to the Board to record the name and address of the Proposed Allottee and issue the Private Placement Offer cum Application Letter in Form PAS-4, to the Proposed Allottee, inviting it to subscribe to the Equity Shares in accordance with the provisions of the Act.”

“RESOLVED FURTHER THAT pursuant to the provisions of the Act, complete record of Private Placement offers be recorded in Form PAS-5 for the issue of invitation to subscribe to the Equity Shares.”

“RESOLVED FURTHER THAT the subscription money that shall be received by the Company from the Proposed Allottee towards application of Equity Shares pursuant to this preferential allotment shall be kept by the Company in a separate Bank Account and shall be utilized by the Company only after filing of Form PAS-3 with the Registrar of Companies (“ROC”) in accordance with Section 42 of the Companies Act, 2013 and rules made thereunder and shall not be utilized for the purpose other than for adjustment against allotment of Equity Shares or for the repayment of monies where the Company is unable to allot Equity Shares.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the offer, issue, allotment of the equity shares of the Company, Mr. Kishor Shah, being the Managing Director and Poonam Bhatia being the Company Secretary and Compliance Officer, be and are hereby severally authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary and desirable for such purpose, including without limitation, preparing, signing, executing and filing applications with the appropriate authorities for obtaining requisite approvals for the issuance of the Equity Shares, as may be required, and the utilization of the issue proceeds in such manner as may be determined by the Board, issuing clarifications on the issue and allotment of the Equity Shares, resolving any difficulties, effecting any modifications, changes, variation, alterations, additions and/or deletions to the foregoing conditions as may be required by any Regulators, or other authorities or agencies involved in or concerned with the issue of the Equity Shares and as the Board may in its absolute discretion deem fit and proper in the best interest of the Company without being required to seek any further consent or approval of the members or otherwise.”

“RESOLVED FURTHER THAT the equity shares to be allotted, be listed on the Stock Exchanges where the shares of the Company are listed and that the Board be and is hereby severally authorized to make the necessary applications and to take all other steps as may be necessary for the approval of allotment of equity shares and listing of such equity shares and for the admission of such equity shares with the depositories, i.e. National Securities Depository Limited (‘NSDL’) & Central Depository Services (India) Limited (‘CDSL’), and for the credit of such equity shares to the holders dematerialized securities account.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the resolution, the Board be and is hereby severally authorized to engage depositories, registrars, bankers, monitoring agency and other consultants and advisors to the issue and to remunerate them by way of fees and/or other charges and also to enter into and to execute the necessary documents and enter into contracts, arrangements, agreements, documents including appointment of such agencies and intermediaries”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of its powers conferred upon it by this resolution, as it may deem fit in its absolute discretion, to any director(s), committee(s), executive(s), officer(s), company secretary or authorized signatory(ies) to give effect to this resolution, including execution of any documents on behalf of the Company and to represent the Company before any governmental or regulatory authorities and to appoint any professional advisors, bankers, consultants, advocates and advisors to give effect to this resolution and further to take all other steps which may be incidental, consequential, relevant or ancillary in this regard.”

ITEM NO. 4:

ISSUANCE OF FULLY CONVERTIBLE WARRANTS INTO EQUITY SHARES ON A PREFERENTIAL BASIS TO THE PERSONS BELONGING TO PROMOTER AND NON-PROMOTER CATEGORY

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

“RESOLVED THAT pursuant to the provisions of Sections 23(1) (b), 42 and 62(1) (c), and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any amendment thereto or re-enactment thereof), and as per the provisions of the Memorandum and Articles of Association of the Company and in accordance with the provisions of Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended (“SEBI ICDR Regulations”), and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“Listing Regulations”) and subject to any other rules, regulations, guidelines, notifications, circulars and clarifications issued thereunder from time to time by the Ministry of Corporate Affairs (“MCA”), Securities and Exchange Board of India (“SEBI”), Reserve Bank of India (“RBI”), Stock Exchange and/ or any other Statutory/ Regulatory Authorities and subject to the approval(s), consent(s), permission(s) and/or sanction(s), if any, of the appropriate authorities, institutions or bodies as may be required, and subject to such conditions as may be prescribed by any of them while granting any such approval(s), consent(s), permission(s), and/ or sanction(s), and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution), consent of the members of the Company be and is hereby accorded in its absolute discretion, to create, offer, issue and allot 19,20,000 (Nineteen Lakhs and Twenty Thousand) Equity Convertible Warrants of the Company of Face value of Rs. 10/- each, carrying an entitlement to subscribe for equivalent number of fully paid-up Equity Shares of the Company, in dematerialized form, on Preferential allotment basis to Promoters group and non-promoters in one or more tranches, at a price of Rs. 64/- (Rupees Sixty-Four Only) per warrant [including premium of Rs. 54/- (Rupees Fifty-Four Only per warrant)] or at such higher price as determined in accordance with of Chapter V of ICDR Regulations, as may be modified or re-enacted from time to time, to the following persons, for consideration in cash, aggregating to Rs. 12,28,80,000/- (Rupees Twelve Crores and Twenty-Eight Lakhs and Eighty Thousand Only), and to issue fresh Equity Shares on the conversion of Warrants and on such other terms and conditions that the Board may deem appropriate in its

absolute discretion and without requiring any further approval or consent from the Members:

Sr. No.	Names of the Proposed Allottees	Category of The Proposed Allottees	No. of Warrants Proposed to Be Allotted
1.	Utsav Parekh	Promoter	3,88,000
2.	Panchganga Advisors Private Limited	Non- Promoter	3,85,000
3.	Monet Securities Private Limited	Non- Promoter	3,85,000
4.	Forbes EMF	Non- Promoter	3,82,000
5.	Chivas Trading Private Limited	Non- Promoter	3,80,000

“RESOLVED FURTHER THAT in terms of the provisions of Chapter V of the SEBI ICDR Regulations, the “Relevant Date” for the purpose of determination of the floor price for the issue and allotment of Warrants is Friday, September 13, 2024, (being September 14, 2024 falls on weekend), the date 30 (thirty) days prior to the date of passing of this resolution being the last date of remote e-voting i.e. Monday, October 14, 2024.”

“RESOLVED FURTHER THAT without prejudice to the generality of the foregoing resolution the Preferential Issue of Warrants and allotment of equity shares on the exercise of the Warrants, shall be subject to the following terms and conditions, apart from others as detailed in the explanatory statement to this Notice and as prescribed under applicable laws:

- a) the Warrant holder shall, subject to the SEBI ICDR Regulations and other applicable rules and regulations, be entitled to apply for and be allotted 1(one) equity share against each Warrant.
- b) the Warrant Holder shall, on or prior to the date of allotment of the Warrants, pay an amount equivalent to at least 25% of the Warrant Issue Price fixed per Warrant in terms of the SEBI ICDR Regulations which will be kept by the Company to be adjusted and appropriated against the Warrant Issue Price of the Equity Shares. The balance 75% of the Warrant Issue Price per Warrant shall be payable by the Warrant Holder at the time of exercise of the Warrants conversion in to equity shares.
- c) the Warrants shall be allotted in dematerialized form within a period of 15 (fifteen) days from the date of passing of the special resolution by the shareholders of the Company for their issuance, provided that where the allotment of Warrants is subject to receipt of any approval or permission from any regulatory authority, the allotment shall be completed within a period of 15 (fifteen) days from the date of receipt of last of such approval, or permission;
- d) the equity shares to be allotted on exercise of the Warrants shall be in dematerialized form and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company and shall rank *pari passu* with the then existing equity shares of the Company in all respects including the payment of dividend and voting rights;
- e) the Warrants shall not carry any voting rights until they are converted into equity shares and the Warrants by itself, until exercised and converted into equity shares, shall not give the Warrant holders any rights with respect to that of an equity shareholder of the Company;
- f) the right attached to the Warrants may be exercised by the Warrant holder, in one or more tranches, at any time on or before the expiry of 18 (eighteen) months from the date of allotment of the Warrants by issuing a written notice (“**Conversion Notice**”) to the Company specifying the number of Warrants proposed to be converted and the date designated as the specified conversion date (“**Conversion Date**”). The Company shall accordingly, without any further approval from the Members, allot the corresponding number of equity shares in dematerialized form on the Conversion Date mentioned in the Conversion Notice, subject to receipt of the relevant Warrant Exercise Amount by the Warrant holder.
- g) the tenure of the Warrants shall not exceed 18 (eighteen) months from the date of allotment of the Warrants. If the entitlement against the Warrants to apply for the equity shares of the Company is not exercised by the Warrant holder within the aforesaid period of 18 (eighteen) months, the entitlement of the Warrant holder to apply for equity shares of the Company along

P. Chakraborty

with the rights attached thereto shall expire and any amount paid by the Warrant holder on such Warrants shall stand forfeited by the Company;

- h) the Warrants allotted in terms of this resolution and the resultant equity shares arising on exercise of rights attached to such Warrants shall be subject to lock-in as specified in the provisions of Chapter V of the SEBI ICDR Regulations;
- i) the entire pre-preferential allotment equity shareholding of the Proposed Allottees, if any, in the Company shall be subject to lock-in as specified in the provisions of Chapter V of the SEBI ICDR Regulations.
- j) The respective Warrant holders shall make payment of Warrant Subscription Price and Warrant Exercise Price from their own bank account into the designated bank account of the Company and in the case of joint holders shall be received from the bank account of the person whose name appears first in the application.
- k) Until the Warrants are transferred, the Company shall treat Warrant holders as the absolute owner for all purposes without being affected by any notice to the contrary.
- l) Equity Shares so allotted upon conversion of the Warrants shall be listed and traded on BSE Limited and The Calcutta Stock Exchange of India Limited (hereinafter collectively referred as the "Stock Exchanges"), i.e. the Stock Exchanges where the existing Equity Shares of the Company are listed, subject to the receipt of necessary regulatory permissions and approvals as the case may be.

"RESOLVED FURTHER THAT subject to the receipt of such approvals as may be required under applicable laws, the consent of the Members of the Company be and is hereby accorded to the Board to record the name and address of the Proposed Allottees and issue the Private Placement Offer cum Application Letter in Form PAS-4, to the Proposed Allottees, inviting it to subscribe to the Warrants in accordance with the provisions of the Act."

"RESOLVED FURTHER THAT pursuant to the provisions of the Act, complete record of Private Placement offers be recorded in Form PAS-5 for the issue of invitation to subscribe to the Warrants."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board, and the Key Managerial Personnel, be and is hereby jointly and severally authorised on behalf of the Company to do all such other acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary or desirable for such purpose, without being required to seek any further consent or approval of the members of the Company, including but not limited to the following:

- (i) to issue and allot the Warrants and such number of equity shares may be required to be issued and allotted upon exercise/ conversion/ exchange of the Warrants, without requiring any further approval of the Members;
- (ii) to negotiate, finalize and execute all necessary agreements/ documents/ form filings/ applications to effect the above resolutions, including to make applications to Applicable Regulatory Authorities, like applications to the Stock Exchanges for obtaining in-principle approval for the Warrants to be allotted pursuant to the Preferential Issue, and for obtaining listing approval and trading approval for the equity shares to be allotted upon conversion of the Warrants;
- (iii) to vary, modify or alter any of the relevant terms and conditions, attached to the Warrants to be allotted to the Proposed Allottees, and to effect any modifications, changes, variations, alterations, additions and/or deletions to the Preferential Issue, as may be required by any regulatory or other authorities involved in or concerned with the issue and allotment of the Warrants; and to determine the form, terms and timing of the Preferential Issue, including finalizing the allottee, based on mutual discussions with the Proposed Allottee, to whom the Warrants shall be finally issued and allotted, and the number of Warrants to be allotted in one or more tranches (including the equity shares to be allotted upon conversion of the Warrants);
- (iv) to resolve and settle any matter, question, difficulty or doubt that may arise in regard to the issuance and allotment of Warrants and the equity shares to be allotted pursuant to the conversion of the

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Warrants, without requiring any further approval of the Members, and to authorize all such persons as may be deemed necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit;

- (v) to issue clarifications on the offer, issue and allotment of the equity shares to be allotted pursuant to the conversion of the Warrants and listing of the equity shares to be allotted pursuant to the conversion of the Warrants on the Stock Exchanges, without limitation, as per the terms and conditions of the SEBI ICDR Regulations, the SEBI Listing Regulations, and other applicable guidelines, rules and regulations;
- (vi) to execute the necessary documents and enter into contracts, arrangements, agreements, documents (including appointment of agencies, intermediaries, monitoring agency and advisors for the Preferential Issue of the Warrants and the equity shares to be allotted pursuant to the conversion of Warrants on a preferential and private placement basis);
- (vii) to undertake all such actions and compliances as may be necessary, desirable or expedient for the purpose of giving effect to this resolution in accordance with applicable law including the SEBI ICDR Regulations and the SEBI Listing Regulations and to take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing, and the decision of the Board shall be final and conclusive.

“RESOLVED FURTHER THAT in case of any corporate action(s) that the Company undertakes any form of restructuring of its share capital (“Capital Restructuring”) including but not limited to: (i) consolidation or sub-division or splitting up of its equity shares, (ii) issue of bonus shares; (iii) issue of equity shares in a scheme of arrangement (including amalgamation or demerger); (iv) reclassification of shares or variation of rights into other kinds of equity shares of the Company; and (v) issue of right shares, as applicable from time to time, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may deem fit to the proposed allottees for the purpose of making a fair and reasonable adjustment such that the number of convertible warrants or equity shares granted earlier, the ceiling of total number of warrants and equity shares specified above shall be deemed to be increased to the extent of such additional warrants granted or equity shares issued after occurrence of any such Capital Restructuring thereto.”

“RESOLVED FURTHER THAT the Company hereby takes note of the certificate from Mr. Sudhansu Sekhar Panigrahi, Practicing Company Secretary, (ACS 23187/CP 19649) certifying that the above issue of the Equity Convertible Warrants is being made in accordance with the ICDR Regulations.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of its powers conferred upon it by this resolution, as it may deem fit in its absolute discretion, to any director(s), committee(s), executive(s), officer(s), company secretary or authorized signatory(ies) to give effect to this resolution, including execution of any documents on behalf of the Company and to represent the Company before any governmental or regulatory authorities and to appoint any professional advisors, bankers, consultants, advocates and advisors to give effect to this resolution and further to take all other steps which may be incidental, consequential, relevant or ancillary in this regard.”

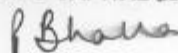
“RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of Equity Shares of the Company as may be required to be issued and allotted upon exercise of the option in the Warrants held by the Warrant holder(s).”

By Order of the Board of Directors
For SMIFS CAPITAL MARKETS LIMITED
Sd/-
(Poonam Bhatia)

Date: September 11, 2024
Place: Kolkata

Certified True Copy Company Secretary & Compliance Officer
Membership No: 26348

For SMIFS CAPITAL MARKETS LIMITED



(POONAM BHATIA)
Company Secretary-cum-Compliance Officer

Notes:

1.The explanatory statement pursuant to Section 102 read with Section 110 of the Act stating all material facts and the reason/rationale for the proposal is annexed herewith.

2.This Postal Ballot Notice is being sent to the members whose names appear on the register of members / list of beneficial owners as received from the National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”) and whose email address is registered with the Company / depository participant(s), as on Friday, September 06, 2024 (“Cut-off Date”). A person who is not a member as on the Cut-off Date should treat this Postal Ballot Notice for informational purposes only. In compliance with Regulation 44 of the LODR Regulations and pursuant to the provisions of Sections 108 and 110 of the Act read with the Rules framed thereunder and the MCA Circulars, the manner of voting on the proposed resolution is restricted only to e-voting i.e., by casting votes electronically instead of submitting Postal Ballot forms. Accordingly, physical copy of the Notice along with Postal Ballot Form and pre-paid business reply envelope are not being sent to the Members for this Postal Ballot. The communication of the assent or dissent of the Members would only take place through the e-voting system.

3.The resolution, if passed by the requisite majority through Postal Ballot, will be deemed to have been passed on the last date specified for voting i.e., Monday, October 14, 2024 Further, resolution passed by the members through Postal Ballot are deemed to have been passed as if they are passed at a General Meeting of the Members.

4.The Scrutinizer will submit his report to the Chairman or any other person authorized by the Chairman after the completion of scrutiny of the e-voting, and the result of the e-voting by Postal Ballot will be announced not later than two working days from the conclusion of e-voting and will also be displayed on the Company website www.smifscap.com, on the website of CDSL www.evotingindia.com, and communicated to the stock exchanges and RTA.

5. All material documents referred to in the explanatory statement will be available for inspection at the Registered Office of the Company during office hours on all working days from the date of dispatch until the last date for receipt of votes by e-voting. Alternately, members may also send their requests to cs.smifs@gmail.com or mdpldc@yahoo.com from their registered e-mail address mentioning their names, folio numbers, DP ID and Client ID during the voting period of the postal ballot.

E-voting:

(a) In compliance with Regulation 44 of the Listing Regulations and Section 108 of the Companies Act, 2013, read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014, as amended and the relevant MCA Circulars, the Company is pleased to provide facility of e-voting to enable its Members to cast their votes electronically in respect of the resolution as set out in this Postal Ballot Notice.

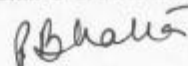
(b) The e-voting period commences from Sunday, September 15, 2024 (09.00 a.m. IST) and ends on Monday, October 14, 2024 (05.00 p.m IST). The e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be forthwith disabled by CDSL upon expiry of the aforesaid period. Once the vote on the resolution is cast by the Member, he/ she shall not be allowed to change it subsequently.

(c) The voting rights of the Members shall be in proportion of their shareholding to the total issued and paid-up equity share capital of the Company as on the Cut-off Date i.e. Friday, September 06, 2024.

(d) Members holding shares either in physical form or dematerialized form, as on the Cut-off Date i.e. Friday, September 06, 2024 (including those Members who may not receive this Postal Ballot Notice due to non-registration of their email address with RTA or the DPs, as aforesaid) can cast their votes electronically, in respect of the resolution as set out in this Postal Ballot Notice only through the e-voting.

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For SMIFS CAPITAL MARKETS LIMITED


(POONAM BHATIA)
Company Secretary-cum-Compliance Officer

The instructions for shareholders voting ELECTRONICALLY are as under:

CDSL e-Voting System – For E-voting

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the Postal Ballot of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 21/2021 dated December 14, 2021, Circular No. 10/2022 dated December 28, 2022 and Circular No. 9/2023 dated September 25, 2023.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote E-voting to its Members in respect of the business to be transacted at the Postal Ballot. 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 agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the Postal Ballot will be provided by CDSL.
3. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the Postal Ballot has been uploaded on the website of the Company at www.smifscap.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The Postal Ballot Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the Postal Ballot) i.e. www.evotingindia.com.

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING:

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins Sunday, September 15, 2024 (09.00 a.m. IST) and ends on Monday, October 14, 2024 (05.00 p.m IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, September 06, 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 21/2021 dated December 14, 2021, Circular No. 10/2022 dated December 28, 2022 and Circular No. 9/2023 dated September 25, 2023.(collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.

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For SMIFS CAPITAL MARKETS LIMITED
P. Bhatia
(POONAM BHATIA)
Company Secretary-cum-Compliance Officer

- (iv) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1 Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (v) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at cdsi website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-

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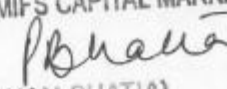
For SMIFS CAPITAL MARKETS LIMITED

P. Bhatia
(POONAM BHATIA)
Company Secretary-cum-Compliance Officer

	Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS" "Portal" or "click" at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

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Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022-4886 7000 and 022-2499 7000

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(vi) Login method for Remote e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

(vii) After entering these details appropriately, click on "SUBMIT" tab.

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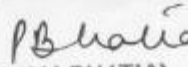
For SMIFS CAPITAL MARKETS LIMITED

P. Bhatia

(POONAM BHATIA)

Company Secretary-cum-Compliance Officer

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For SMIFS CAPITAL MARKETS LIMITED


(POONAM BHATIA)
Company Secretary-cum-Compliance Officer

- (viii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant SMIFS Capital Markets Limited on which you choose to vote.
- (xi) 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.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) 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.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xviii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; www.smifscap.com

(designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

1. For Physical shareholders- 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 **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. 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 or call at toll free no. 1800 22 55 33.

Certified True Copy
For SMIFS CAPITAL MARKETS LIMITED
P. Bhatia
(POONAM BHATIA)
Company Secretary-cum-Compliance Officer

Certified True Copy

For SMIFS CAPITAL MARKETS LIMITED

P. Bhatia

(POONAM BHATIA)
Company Secretary-cum-Compliance Officer

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 READ WITH REGULATION 163(1) OF ICDR REGULATION SETS OUT ALL MATERIAL FACTS RELATING TO THE BUSINESS MENTIONED IN ITEM NO. 1, 2, 3 AND 4 IN THE ACCOMPANYING NOTICE OF THE POSTAL BALLOT:

As required by Section 102 of the Companies Act, 2013 (the "Act"), and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following Explanatory Statement sets out all material facts relating to the business mentioned in the accompanying Notice dated Wednesday, September 11, 2024:

ITEM NO. 1

The existing Memorandum of Association of the Company, based on Companies Act, 1956 ("1956 Act") are no longer in conformity with the Companies Act, 2013 ("Act"). Upon enactment of the Companies Act, 2013, the Memorandum of Association of the Company were required to be re-aligned as per the provisions of the new Act.

The new set of MOA to be substituted in place of the existing MOA are in the format prescribed under the Act. A copy of the proposed set of new Memorandum of Association of the Company would be available for inspection for the members at the Registered Office of the Company during the office hours on any working day, except Sundays, between 10.00 a.m. to 5.00 p.m. upto the conclusion of the Postal Ballot.

Your Directors in its meeting held on Wednesday, September 11, 2024 had approved (subject to the approval of members) the amendment in the Memorandum of Association of the Company.

In terms of Section 13 of the Companies Act, 2013, the consent of the Members by way of Special Resolution is required for proposed amendments in the Memorandum of Association of the Company.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, either directly or indirectly in passing of the said resolution, financially or otherwise, in the resolution set out at item no. 1 of the Notice, except to the extent of their shareholding in the Company.

ITEM NO. 2

The existing Articles of Association of the Company, based on Companies Act, 1956 ("1956 Act") are no longer in conformity with the Companies Act, 2013 ("Act"). Upon enactment of the Companies Act, 2013, the Articles of Association of the Company were required to be re-aligned as per the provisions of the new Act.

It is thus expedient to adopt the new set of Articles of Association in place of existing Articles of Association of the Company, to be consistent with the provisions of Section 5 of the Companies Act, 2013 including Rules made thereunder. Hence the Board of Directors proposed to adopt new set of Articles in place of existing Articles of Association of the Company and seek shareholders' approval for the same.

A copy of the proposed set of new Articles of Association of the Company would be available for inspection for the members at the Registered Office of the Company during the office hours on any working day, except Sundays, between 10.00 a.m. to 5.00 p.m. upto the conclusion of the Postal Ballot.

The Board of Directors recommends the Resolutions at Item No. 2 of the accompanying Notice for the approval of the Members of the Company as Special Resolution.

None of the Directors, Key Managerial Personnel of Company and their relatives are concerned or interested, either directly or indirectly in passing of the said resolution, financially or otherwise, in the resolution set out at item no. 2 of the Notice, except to the extent of their shareholding in the Company.

ITEM NO. 3 & 4

The Board at its meeting held on Wednesday, September 11, 2024, subject to the approval of the Members of the Company and such other approval(s) as may be required, has reviewed and discussed the fund requirement and accordingly, approved issuance of upto 2,92,000 (Two Lakhs Ninety-Two Thousand) Equity Shares of the Company of Face value of Rs. 10/- (Rupees Ten Only), each, by way of preferential issue on a Private Placement basis to the Non-promoter in one or more tranches, at a price of Rs. 64/- (Rupees Sixty-Four Only) [including a premium of Rs. 54/- (Rupees Fifty-Four Only) per Equity Share], or at such higher price as determined in accordance with of Chapter V of ICDR Regulations, as may be modified or re-enacted from time to time, to the following persons, for consideration in cash, aggregating to Rs. 1,86,88,000/- (Rupees One Crore Eighty-Six Lakhs Eighty-Eight Thousand Only) and Issue of upto 19,20,000 (Nineteen Lakhs and Twenty Thousand) Equity Convertible Warrants of the Company of Face value of Rs. 10/- each, carrying an entitlement to subscribe for equivalent number of fully paid-up Equity Shares of the Company, in dematerialized form, on Preferential allotment basis to Promoters group and non-promoters in one or more tranches, at a price of Rs. 64/- per warrant (Rupees Sixty-Four Only) [including premium of Rs. 54/- (Rupees Fifty-Four Only per warrant)] or at such higher price as determined in accordance with of Chapter V of ICDR Regulations, as may be modified or re-enacted from time to time, to the following persons, for consideration in cash, aggregating to Rs. 12,28,80,000/- (Rupees Twelve Crores and Twenty-Eight Lakhs and Eighty Thousand Only) by way of preferential allotment, to the Proposed Allottees as mentioned in Resolution nos. 3 and 4.

The information as required under Regulation 163(1) of ICDR Regulations and as per the provisions of the Companies Act, 2013 read with Rule 13(2) of the Companies (Share Capital and Debentures) Rules, 2014 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 is given below:

i) Particulars of the offer including date of passing Board Resolution:

The Board of Directors at its meeting held on Wednesday, 11 September, 2024, subject to the approval of the Members and such other approvals as may be required, has approved the issuance and allotment of:

- (i) Up to 2,92,000 (Two Lakhs Ninety-Two Thousand) fully paid-up Equity Shares of the Company, at a price of Rs. 64/- (Rupees Sixty-Four Only) [including a premium of Rs. 54/- (Rupees Fifty-Four Only) per Equity Share], or at such higher price as determined in accordance with of Chapter V of ICDR Regulations, aggregating upto Rs. 1,86,88,000/- (Rupees One Crore Eighty-Six Lakhs Eighty-Eight Thousand Only), for consideration in cash, in accordance with Chapter V of ICDR Regulations.
- (ii) Up to 19,20,000 (Nineteen Lakhs and Twenty Thousand) Equity Convertible Warrants by way of a preferential issue basis, carrying an entitlement to subscribe for equivalent number of fully paid-up Equity Shares of the Company, at a price of Rs. 64/- per warrant (Rupees Sixty-Four Only) [including a premium of Rs. 54/- (Rupees Fifty-Four Only) per warrant], or at such higher price as determined in accordance with of Chapter V of ICDR Regulations, aggregating upto Rs. 12,28,80,000/- (Rupees Twelve Crores and Twenty-Eight Lakhs and Eighty Thousand Only), for consideration in cash, determined in accordance with Chapter V of ICDR Regulations.

The Proposed Allottees have also confirmed their eligibility in terms of Regulation 159 of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "ICDR Regulations"), to subscribe to the Warrants to be issued pursuant to the Preferential Issue.

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For SMIFS CAPITAL MARKETS LIMITED

P. Bhatia

(POONAM BHATIA)

Company Secretary-cum-Compliance Officer

In accordance with Sections 23(1)(b), 42 and 62(1)(c) and other applicable provisions, if any, of the Act and the rules made thereunder and in accordance with the SEBI ICDR Regulations and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), as amended from time to time, approval of the Members of the Company by way of special resolution is required to issue securities by way of private placement on a preferential basis.

ii) Objects of the Issue

The Company needs to raise additional funds to meet the funding and enhanced business requirements of the Company including in relation to and for funding the business growth by making Investment in Shares & Securities including investing in special situations, long term and short term investing, tactical and opportunistic investments, debt funds, capital requirement for the purpose of repayment or part prepayment of borrowings of the Company, working capital requirements, which shall enhance the business of the Company and for any other purpose as may be decided and approved by the Board. Considering raising funds through preferential issue to be most cost and time effective and the Board of Directors of the Company, accordingly, proposed to raise upto Rs. 14,15,68,000/- (Rupees Fourteen Crores and Fifteen Lakhs and Sixty-Eight Thousand Only) through issue of Equity Shares and Convertible Equity Warrants on preferential basis to both the Promoter and Non-promoters, for cash, on a preferential basis.

The issue proceeds for warrants shall be received by the Company in 18 months period from the date of allotment of warrants in terms of Chapter V of the ICDR Regulation and as estimated by our management, the entire proceeds received from the issue would be utilized for all the above-mentioned objects, in phases, as per the Company's business requirements and availability of issue proceeds, latest by March 31, 2026, considering 100% conversion of Warrants into equity shares within the stipulated time.

If the Issue Proceeds are not utilised (in full or in part) for the Objects during the period stated above due to any such factors, the remaining Issue Proceeds shall be utilised in subsequent periods in such manner as may be determined by the Board, in accordance with applicable laws. This may entail rescheduling and revising the planned expenditure and funding requirements and increasing or decreasing the expenditure for a particular purpose from the planned expenditure as may be determined by the Board, subject to compliance with applicable laws.

iii) Relevant Date

The Board has fixed Friday, September 13, 2024, (being September 14, 2024 falls on weekend) as the relevant date, being the 30th day prior to the date of passing of the resolution through remote e-voting vide Postal Ballot i.e. October 14, 2024, for determining the floor price for the aforesaid preferential issue in accordance with the provisions of Regulation 161 of SEBI ICDR Regulations.

iv) Maximum number of specified securities to be issued and Pricing of the Preferential Issue

The Company intends to issue a maximum of 2,92,000 Equity Shares of Face Value Rs. 10/- per share at a price of Rs. 64/- per equity share (including premium of Rs. 54/- per equity share) and up to 19,20,000 Equity Convertible Warrants at a price of Rs. 64/- (including premium of Rs. 54/- per warrant) or at such higher price determined under applicable Regulation(s) of Chapter V of ICDR Regulations.

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For SMIFS CAPITAL MARKETS LIMITED

P. Bhatia

(POONAM BHATIA)

Company Secretary-cum-Compliance Officer

v) **Intent of the promoters, directors or key managerial personnel of the Company to subscribe to the offer**

Mr. Utsav Parekh, Non- executive Director & Promoter, has vide his commitment letter dated September 09, 2024, informed the Company about his intention to subscribe 3,88,000 equity convertible warrant at an Issue Price of Rs. 64/- (including premium of Rs. 54/- per warrant) or at such higher price determined under applicable Regulation(s) of Chapter V of ICDR Regulations upto an aggregate amounting to Rs. 2,48,32,000/- (Rupees Two Crores Forty-Eight Lakhs and Thirty-Two Thousand Only) in the Company.

Except as stated above, no other Promoters' /Directors/ Key Management Personnel of the issuer intend to subscribe to the offer of Equity shares and Equity Convertible Warrants.

vi) **Price at which the allotment is proposed**

The Equity Shares and warrants to be issued and allotted will be of the face value of Rs. 10 /- each and will be issued at Rs. 64/- (including premium of Rs. 54/- per warrant) or at such higher price determined under applicable Regulation(s) of Chapter V of ICDR Regulations.

vii) **Basis or justification for the price (including the premium, if any) has been arrived at**

In terms of the ICDR Regulations, the minimum issue price per Equity Share and Warrant is higher of the price determined through following methods:

The Equity Shares of the Company are listed on BSE and CSE and are frequently traded in terms of the ICDR Regulations on the BSE.

- a) 90 (ninety) trading days volume weighted average price (VWAP) of the equity shares of the Company preceding the date of Board Meeting: i.e. Rs. 58.59 per equity share;
- b) 10 (ten) trading days volume weighted average price (VWAP) of the equity shares of the Company preceding the date of Board Meeting: i.e. Rs. 63.64 per equity share.

"Frequently traded shares" means the shares of the issuer, in which the traded turnover on any recognized stock exchange during the 240 trading days preceding the relevant date, is at least ten per cent of the total number of shares of such class of shares of the issuer.

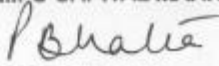
b. Method of determination of price as per the Articles of Association of the Company - Not applicable as the Articles of Association of the Company are silent on the determination of a floor price/ minimum price of the shares issued on preferential basis.

The offer price of equity shares and warrants of face value Rs. 10/- (Rupees Ten Only) per equity share/warrant is Rs. 64/- (Rupees Sixty-Four Only) (including a premium of Rs. 54/- (Rupees Fifty-Four Only) per Equity Share/ Warrant or at such higher price as determined under applicable Regulation 164 of Chapter V of ICDR Regulations.

In terms of Regulation 166A of the ICDR Regulations, since the allotment is not more than 5% of the post-issue expanded capital, no report from an Independent Registered Valuer, has been obtained.

Adjustments for Warrants: The price determined above and the number of Equity Shares to be allotted on exercise of the Warrant shall be subject to appropriate adjustments, as permitted under applicable rules,

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(POONAM BHATIA)
Company Secretary-cum-Compliance Officer

regulations and laws from time to time.

Since the Equity Shares of the Company are listed on recognized stock exchanges for more than 90 (Ninety) trading days, the price computation and lock-in extensions, required pursuant to Regulations 164(3) and 167(5) of the ICDR Regulations and the disclosures and undertakings required pursuant to Regulation 163(1)(g) and (h) of the ICDR Regulations are not applicable.

In case, the Company is required to re-compute the price then it shall undertake such re-computation and if the amount payable on account of the re-computation of price is not paid by the Proposed Allottees within the time stipulated in the ICDR Regulations, the Warrants proposed to be issued pursuant to this resolution would have been continued to be locked in till the time such amount would have paid by the Proposed Allottees.

Notes:

- BSE being the only Stock Exchange where the Equity Shares of the Company are frequently traded, the volume and price on the said exchange has been considered for determining the Floor Price in accordance with the ICDR Regulations.

- Also, the Articles of Association of the Company doesn't contain any article which provides for determination of price in case of preferential issue.

viii) Amount which the company intends to raise by way of such securities:

The aggregate amount intended to be raised pursuant to the Proposed Allotment of Equity Shares and Equity Convertible Warrants is Rs. 14,15,68,000/- (Rupees Fourteen Crores and Fifteen Lakhs and Sixty-Eight Thousand Only) and as the consideration payable for the Equity Shares proposed to be issued to the Proposed Allottees as mentioned in Resolution Nos. 3 and 4.

ix) Shareholding pattern of the Company before and after the Preferential Issue:

Sl. No.	Category	Pre-Issue (as per Shareholding pattern dated 06.09.2024)		Post- Issue Shareholding*	
		No. of shares held	% of Share holding	No. of shares held	% of Share holding
A	Promoters & Promoters group holding:				
1.	Indian/ HUF:				
	Individual				
	- Utsav Parekh (Allottee)	96,200	1.72	4,84,200	6.21
	- Other	1,23,000	2.20	1,23,000	1.57
	Body Corporate	28,44,851	50.94	28,44,851	36.49
	Total (A1)	30,64,051	54.86	34,52,051	44.27
2	Foreign Promoters:	-	-	-	-
	Total (A2)	-	-	-	-
	Sub- Total A [(A1)+(A2)]	30,64,051	54.86	34,52,051	44.27
B	Non-Promoters' holding:				
1	Institutional Investor:				
	Financial Institutions/ Banks/ Insurance Companies/ FII	-	-	-	-
	Foreign Portfolio Investors	-	-	3,82,000	4.90
	Sub Total (B1)	-	-	3,82,000	4.90
2	Non-Institution Investor:				
	Investor Education and Protection Fund	1,26,011	2.26	1,26,011	1.62
	Private Corporate Bodies	4,55,114	8.15	18,97,114	24.33
	Indian Public	18,47,949	33.08	18,47,949	23.70
	Others (including NRI)	91,875	1.65	91,875	1.18

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(POONAM BHATIA)
Company Secretary-cum-Compliance Officer

	Sub Total (B2)	25,20,949	45.14	39,62,949	50.83
	Sub-Total B [(B1) + (B2)]	25,20,949	45.14	43,44,949	55.73
	GRAND TOTAL (A+B)	55,85,000	100.00	77,97,000	100.00

* The above post-issue shareholding is prepared assuming the full conversion of 19,20,000 Equity convertible warrants into equal number of equity shares issued pursuant to resolution at item No.4 and allotment of 2,92,000 equity shares on preferential basis at item No. 3. However, at the time of conversion of Equity convertible warrants into equity shares, the percentage is likely to be changed.

The Company will ensure compliance with all applicable laws and regulations including the ICDR Regulations at the time of allotment of equity shares and convertible warrants on preferential basis to the proposed Allottees.

x) **Time frame within which the Proposed Preferential Issue shall be completed: -**

In accordance with Regulation 170 of the ICDR Regulations, the allotment of Equity Shares shall be completed within a period of 15 (fifteen) days from the date of passing of the resolution by the shareholders, provided that where the allotment is pending on account of pendency of any approval(s) or permission(s) from any regulatory authority / body, the allotment shall be completed by the Company within a period of 15 (fifteen) days from the date of such approvals or permissions.

Further, as per Regulation 162(2) of ICDR Regulations, upon exercise of the option by the Allottee to convert the convertible securities, the issuer shall ensure that the allotment of equity shares pursuant to exercise of the convertible securities is completed within a period of 15 days from the date of such exercise by the Allottee.

xi) **Name of Proposed Allottees, identity of the Proposed Allottees, Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees; the percentage of post preferential issue that may be held by them. Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and / or who ultimately control the Proposed Allottees**

Sr. No.	Name of the Proposed Allottee	PAN	Current and Proposed status of the proposed allottees	Natural Persons who are Ultimate Beneficial Owners	Pre-allotment Equity holding and percentage of pre Allotment Shareholding	Pre Allotment (%)	Number Of Equity Shares and Equity Convertible Warrants proposed to be allotted		Post allotment Equity holding and percentage of post Allotment Shareholding		
							Equity Shares	Equity Convertible Warrants	Total (considering full conversion of warrants)	Equity full of	%
Refer Enclosed Annexure A											

xii) **Change in control, if any, in the Company that would occur consequent to the preferential issue:**

The existing Promoters of the company will continue to be in control of the company and there will not be any changes in the management/control of the company as a result of the proposed preferential allotment, However, there will be corresponding changes in the shareholding pattern as well as voting rights consequent to issue of equity shares allotted on preferential allotment, the existing Promoters of the company will continue to be in control of the company and there will not be any changes in the management/ control of the company as a result of the proposed preferential allotment, However, there will be corresponding changes in the shareholding pattern as well as voting rights consequent to issue of equity shares and Warrants and subsequent conversion of warrants in to equity shares upon exercise of right of conversion of warrants in to equity shares by warrants holders allotted on preferential allotment.

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Poonam Bhatia
(POONAM BHATIA)
Company Secretary-cum-Compliance Officer

xiii) Disclosure specified in Schedule VI of ICDR Regulations, if the issuer or any of its promoters or directors is a wilful defaulter or a fraudulent borrower:

Neither the Company nor its Promoters or Promoters Group (including directors of promoter group) or Directors have been declared as wilful defaulter or fraudulent borrower as defined under the ICDR Regulations. None of its Promoters/ Promoter Group (including directors of promoter group) or Directors are a fugitive economic offender as defined under the ICDR Regulations.

xiv) The class or classes of persons to whom the allotment is proposed to be made:

Sr. No.	Name of the Proposed Allottees	Category of the Proposed Allottees	Current and Proposed Status of the Proposed Allottees
1	Merlin Resources Pvt. Ltd.	Non- Promoter	Non- Promoter
2	Utsav Parekh	Promoter	Promoter
3	Panchganga Advisors Pvt. Ltd.	Non- Promoter	Non- Promoter
4	Monet Securities Pvt. Ltd.	Non- Promoter	Non- Promoter
5	Forbes EMF	Non- Promoter	Non- Promoter
6	Chivas Trading Pvt. Ltd.	Non- Promoter	Non- Promoter

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

The Company has not made any preferential allotment during the current financial year FY 2024- 25.

xvi) Principal terms of assets charged as securities.

Not applicable.

xvii) The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the Registered Valuer.

Not applicable.

xviii) Material terms of raising such securities

Not applicable.

xix) Monitoring Of Utilization of Funds:

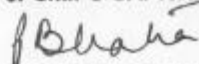
Not applicable.

xx) Undertaking:

The Company hereby undertakes that:

- None of the Company, its Directors or Promoters have been declared as wilful defaulter or fraudulent borrower as defined under the ICDR Regulations. None of its Directors or Promoter is a fugitive economic offender as defined under the ICDR Regulations;
- The Company is eligible to make the Preferential Issue to the Proposed Allottees under Chapter V of the ICDR Regulations;

For SMIFS CAPITAL MARKETS LIMITED


(POONAM BHATIA)
Company Secretary-cum-Compliance Officer

- c) As the Equity Shares have been listed for a period of more than ninety days as on the Relevant Date, the provisions of Regulation 164(3) of SEBI ICDR Regulations governing re-computation of the price of shares shall not be applicable;
- d) The Company shall re-compute the price of the equity shares to be allotted under the Preferential Issue, in terms of the provisions of SEBI ICDR Regulations where it is required to do so;
- e) If the amount payable on account of the re-computation of price is not paid within the time stipulated in the SEBI ICDR Regulations, the equity shares to be allotted under the Preferential Issue shall continue to be locked-in till the time such amount is paid by the warrant holder.
- f) The entire pre-preferential holding, if any, of the proposed allottees shall be locked in for the period as prescribed under ICDR Regulations.
- g) No person belonging to the Promoters/ Promoter Group has previously subscribed to any warrants of the Company but failed to exercise them; and
- h) There are no outstanding dues to the Board, the stock exchanges or the depositories.

xxi) Listing:

The Company will make an application to the Stock Exchange at which the existing shares are listed, for listing of the equity shares. Such equity shares, once allotted, shall rank pari-passu with the existing equity shares of the Company in all respects, including dividend and voting rights.

xxii) Lock-in Period:

The Equity Shares will be subject to applicable lock-in and transfer restrictions in accordance with Chapter V of ICDR Regulations.

xxiii) Certificate From Practicing Company Secretary

The certificate from Mr. Sudhansu Sekhar Panigrahi, Practicing Company Secretary, (ACS 23187/CP 19649), certifying that the Preferential Issue is being made in accordance with the requirements contained in the Chapter V of the ICDR Regulations shall be made available for inspection by the Members during the meeting and will also be made available on the Company's website and will be accessible at www.smifscap.com at the web-link: <https://www.smifscap.com/2024-25/Certificate%20pursuant%20to%20SEBI%20ICDR%20Regulations.pdf>

xxiv) Other disclosures

- a) The Company is in compliance with the conditions for continuous listing and is eligible to make the Preferential Issue under Chapter V of the ICDR Regulations.
- b) Neither the Company nor any of its Directors or Promoters are categorized as wilful defaulter(s) by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulter(s) issued by the Reserve Bank of India. Further, neither the Company nor any of its Directors or Promoters is a fraudulent borrower as defined under the ICDR Regulations. Consequently, the disclosures required under Regulation 163(1)(i) of the ICDR Regulations are not applicable.
- c) Neither the Company nor any of its Directors and/ or Promoters is a fugitive economic offender as defined under the ICDR Regulations.
- d) The Proposed Allottees have confirmed that they have not sold or transferred any equity shares

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Bhatia
(POONAM BHATIA)
Company Secretary-cum-Compliance Officer

of the Company during the 90 trading days preceding the Relevant Date. The Proposed Allottees have further confirmed that they are eligible under ICDR Regulations to undertake the Preferential Issue.

Mr. Utsav Parekh (Promoter of the Company), be considered as deemed to be concerned or interested in the said resolution due to their shareholding in the Company.

Except them, none of the Promoters/ Promoter Group, Directors, Key Managerial Personnel or their relatives are in any way financially or otherwise concerned or interested in the passing of this Special Resolution as set out at Item No. 3 & 4 of this notice except and to the extent of their shareholding in the Company.

In accordance with the provisions of Sections 23, 42 and 62 of the Act read with applicable rules thereto and relevant provisions of the ICDR Regulations, approval of the Members for issue and allotment of the said warrants to the Proposed Allottees is being sought by way of a special resolution as set out in the said item no. 3 & 4 of the Notice. Issue of the equity shares pursuant to the exercise of the rights attached to warrants would be within the authorized share capital of the Company.

In case of any corporate action(s) that the Company undertakes any form of restructuring of its share capital ("Capital Restructuring") including but not limited to: (i) consolidation or sub-division or splitting up of its equity shares, (ii) issue of bonus shares; (iii) issue of equity shares in a scheme of arrangement (including amalgamation or demerger); (iv) reclassification of shares or variation of rights into other kinds of equity shares of the Company; and (v) issue of right shares, as applicable from time to time, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may deem fit to the proposed allottees for the purpose of making a fair and reasonable adjustment such that the number of convertible warrants or equity shares granted earlier, the ceiling of total number of warrants and equity shares specified above shall be deemed to be increased to the extent of such additional warrants granted or equity shares issued after occurrence of any such Capital Restructuring thereto."

In case any of the Proposed Allottees fail to subscribe the number of Equity Shares and Equity Convertible Warrants proposed to be allotted to them, the other prospective Allottees shall be entitled to subscribe the same.

The Board of Directors believes that the proposed Preferential Issue is in the best interest of the Company and its Members and, therefore, recommends the resolution at Item No. 3 & 4 of the accompanying Notice for approval by the Members of the Company as a Special Resolution.

Documents referred to in the notice/ explanatory statement will be available for inspection by the Members of the Company as per applicable law.

**By Order of the Board of Directors
For SMIFS Capital Markets Limited
Sd/-**

**Date: September 11, 2024
Place: Kolkata**

**(Poonam Bhatia)
Company Secretary & Compliance Officer
Membership No.: 26348**

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For SMIFS CAPITAL MARKETS LIMITED

Poonam Bhatia
**(POONAM BHATIA)
Company Secretary-cum-Compliance Officer**

Annexure A

Sr. No.	Name of the Proposed Allottees	Category of the proposed allottees (current and proposed status)	PAN	Natural Persons who are Ultimate beneficial owner	Pre allotment (No. of Shares)	Pre allotment (%)	Number Of Equity Shares and Equity Convertible Warrants proposed to be allotted		Post allotment Equity holding and percentage of post Allotment Shareholding*	
							Equity Shares	Equity Convertible Warrants	Total Equity (considering full conversion of warrants)	%
1	Merlin Resources Pvt. Ltd.	Non-Promoter	AABCM7285P	Purnendu Chatterjee	0	0.00	2,92,000	0	2,92,000	3.75
2	Utsav Parekh	Promoter	AGHPP4467H	NA	96,200	1.72	0	3,88,000	4,84,200	6.21
3	Panchganga Advisors Pvt. Ltd.	Non-Promoter	AAGCP6112R	Aditi Dhelia	0	0.00	0	3,85,000	3,85,000	4.94
4	Monet Securities Pvt. Ltd.	Non-Promoter	AABCM7058A	Rajendra Prasad Bubna	0	0.00	0	3,85,000	3,85,000	4.94
5	Forbes EMF	Non-Promoter	134260 C1/GBL	Li Hoy Choo Li Kim For	0	0.00	0	3,82,000	3,82,000	4.90
6	Chivas Trading Pvt. Ltd.	Non-Promoter	AADCC2606E	NA	1,560	0.03	0	3,80,000	3,81,560	4.89

* The above % of post allotment shareholding is prepared assuming the conversion of convertible warrants issued pursuant to resolution at item No.4 into equity shares and allotment of equity shares on preferential basis at item no. 3. However, at the time of conversion of convertible warrants into equity shares, the percentage is likely to be changed.

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For SMIFS CAPITAL MARKETS LIMITED

P. Bhunia

(POONAM BHATIA)
Company Secretary-cum-Compliance Officer