

## **NOTICE**

**NOTICE** is hereby given that the **Thirty Seven Annual General Meeting (AGM)** of the members of the Company which is scheduled to be held on **Friday, September 30, 2022 at 11.00 AM** through Video Conferencing ('VC')-Other Audio Visual Means ('OAVM') to transact the following business:

### **Ordinary Business:**

#### **1. Adoption of Financial Statements**

To receive, consider and adopt the Audited Financial Statements (Standalone as well as Consolidated) of the Company for the year ended March 31, 2022, along with the reports of the Board of Directors and the Auditors thereon.

#### **2. Re-appointment of Mr. Rajan Goyal as Director, liable to Retire by Rotation**

To appoint a Director in place of Mr. Rajan Goyal (DIN: 02600825) who retires by rotation & being eligible offers himself for reappointment as a Director of the Company.

#### **3. Appointment of Statutory Auditor**

To appoint Statutory Auditors, M/s. Ajay Rattan & Co. Chartered Accountants in place of M/s. V.N. Purohit & Co. Chartered Accountants, who retire at the ensuing Annual General Meeting and to fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Ajay Rattan & Co. Chartered Accountants (Firm Reg No. 012063N) be and is hereby appointed as the Statutory Auditors of the Company, [in place of the retiring Statutory Auditors, of M/s. V.N. Purohit & Co. Chartered Accountants, to hold office for a term of five consecutive years from the conclusion of 37<sup>th</sup> Annual General Meeting till the conclusion of 42<sup>nd</sup> Annual General Meeting of the Company to be held in the year 2027, at such remuneration, as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors from time to time.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution.”

### **Special Business:**

#### **4. Approval of Material Related Party Transaction**

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Regulations 23 and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the

‘Board’, which term shall be deemed to include the Audit Committee to the approval of Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, consent of the Members be and is hereby accorded for ratification / approval of material related party transaction(s) entered by the Company with Rudraveerya Developers an associate Company, during the financial year 2021-22, as per the details set out in the explanatory statement annexed to the notice convening this meeting.”

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution.”

#### **5. Approval of Material Related Party Transaction**

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Regulations 23 (3) & (4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulations’), as amended from time to time, and other applicable provisions of the Companies Act, 2013 (‘Act’) read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the ‘Board’, which term shall be deemed to include the Audit Committee to the omnibus approval of Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between the Company and Rudraveerya Developers an associate Company on such terms and conditions as may be mutually agreed for an aggregate value not exceeding Rs. 200 crore during the financial year 2022-23, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is being carried out at an arm’s length pricing basis and in the ordinary course of business.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution.”

**By Order of the Board of Directors  
For Sonal Mercantile Limited**

**Date: September 01<sup>st</sup>, 2022  
Place: New Delhi**

**Akshay Khare  
Company Secretary**

**Notes:**

1. General Instructions for accessing and participating in the 37th AGM through VC-OAVM facility and voting through electronic means including remote e voting.
  - a) In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14-2020 dated April 08, 2020, Circular No.17-2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20-2020 dated May 05, 2020 and Circular No. 02-2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC-OAVM.
  - b) Pursuant to the Circular No. 14-2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC-OAVM and participate there at and cast their votes through e-voting.
  - c) The Members can join the AGM in the VC-OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC-OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
  - d) The attendance of the Members attending the AGM through VC-OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
  - e) 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 the Circulars issued by the Ministry of Corporate Affairs 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 AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
  - f) In line with the Ministry of Corporate Affairs (MCA) Circular No. 17-2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.sonalmercantile.in](http://www.sonalmercantile.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - g) In terms of section 152 of the Act, Mr. Rajan Goyal (DIN: 02600825), Director, retire by rotation at the meeting and being eligible, offer himself for re appointment.

Details of Director retiring by rotation, appointment-re appointment as required to be provided pursuant to the provision of (i) the Securities and Exchange Board of India (LODR) Regulation, 2015 and (ii) Secretarial Standard on General Meeting (SS-2), issued by the institute of Company Secretaries of India and approved by the Central Government are provided in Annexure to the Notice.
  - h) AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

- i) The remote e-voting period begins on **27th September, 2022 at 09.00 A.M. and ends on 29th September, 2022 at 05.00 P.M.** The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) **i.e. 23rd September, 2022** may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being **23rd September, 2022**. The Register of Members and Share Transfer Books of the Company will remain closed from **Saturday, 24th September 2022 to Friday, 30th September 2022** (both days inclusive).

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

**How do I vote electronically using NSDL e-Voting system?**

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:





**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular 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.

**Login method for Individual shareholders holding securities in demat mode is given below:**

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<p>Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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 i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of</p>

	<p>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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <p><b>NSDL Mobile App is available on</b></p> <p>  App Store          Google Play       </p> <div style="display: flex; justify-content: space-around;">   </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/loginor">https://web.cdslindia.com/myeasi/home/loginor</a> www.cdslindia.com and click on New System Myeasi.</p> <p>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</p> <p>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</p>

<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>
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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. NSDL and CDSL.**

Login type	Helpdesk details
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30</p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43</p>

**B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.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, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL

eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

Password details for shareholders other than Individual shareholders are given below:

If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

How to retrieve your 'initial password'?

If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:

Click on “Forgot User Details/Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

Physical User Reset Password?” (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.

Now, you will have to click on “Login” button.

After you click on the “Login” button, Home page of e-Voting will open.

## **Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

### **How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.

Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.

Now you are ready for e-Voting as the Voting page opens.

Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.

Upon confirmation, the message “Vote cast successfully” will be displayed.

You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### **General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [csguptanitin@gmail.com](mailto:csguptanitin@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go



through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or contact Ms. Pallavi Mhatre, Manager or Ms. Soni Singh, Asst. Manager, National Securities Depository Limited, Trade World, ‘A’ Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, at the designated email id – [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [pallavid@nsdl.co.in](mailto:pallavid@nsdl.co.in) or [SoniS@nsdl.co.in](mailto:SoniS@nsdl.co.in) or at telephone nos.:- +91 22 24994545, +91 22 24994559, who will also address the grievances connected with voting by electronic means. Members may also mail to the [sonalmercantile@yahoo.in](mailto:sonalmercantile@yahoo.in).

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide 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 [sonalmercantile@yahoo.in](mailto:sonalmercantile@yahoo.in).

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [sonalmercantile@yahoo.in](mailto:sonalmercantile@yahoo.in). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

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

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of “VC/OAVM link” placed under “Join meeting” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [sonalmercantile@yahoo.in](mailto:sonalmercantile@yahoo.in). The same will be replied by the company suitably.

**ANNEXURE TO THE NOTICE EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**ITEM NO 3.**

This explanatory statement is in terms of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”).

The Members of the Company earlier approved the appointment of M/s. V.N. Purohit & Co. Chartered Accountants, as the Statutory Auditors of the Company from the conclusion of 33<sup>rd</sup> AGM till the conclusion of 37<sup>th</sup> AGM of the Company. Accordingly, M/s. V.N. Purohit & Co. Chartered Accountants, will complete their present term on this AGM in terms of the said approval and Section 139 of the Companies Act, 2013 (‘the Act’) read with the Companies (Audit and Auditors) Rules, 2014.

The Board of Directors based on the recommendation of the Audit Committee proposes the appointment of M/s. Ajay Rattan & Co. Chartered Accountants (Firm Reg No. 012063N) as the Statutory Auditors of the Company. If approved by the members, the appointment of M/s. Ajay Rattan & Co. Chartered Accountants as the Statutory Auditors will be for a period of five years commencing from the conclusion of this 37<sup>th</sup> AGM till the conclusion of the 42<sup>nd</sup> AGM to be held in the year 2027 at such remuneration plus reimbursement of out-of-pocket expenses, if any. There is no material change in the remuneration payable to M/s. Ajay Rattan & Co. Chartered Accountants.

M/s. Ajay Rattan & Co. Chartered Accountants have confirmed that their appointment, if made, would be within the limits specified under Section 141(3) (g) of the Act and that they are not disqualified to be appointed as statutory auditor in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

None of the Directors, Key Managerial Personnel and other relatives are concerned or interested in the Resolution at Item No. 3 of the Notice. The Board recommends the Ordinary Resolution at Item No. 3 of this Notice for the approval of the members.

**ITEM NO 4.**

The provisions of Regulation 23 of the SEBI Listing Regulations, mandated that approval of Members by means of an ordinary resolution should be obtained for all material related party transactions, even if such transactions are in the ordinary course of business of the concerned company and at an arm’s length basis. A transaction was considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed(s) 10% of the annual consolidated turnover as per the last audited financial statements of the listed entity.

In financial year 2021-22, the related party transactions as mentioned below, in the aggregate, have crossed the applicable materiality threshold as mentioned above. Accordingly, as per the SEBI Listing Regulations, approval of the Members is being sought for ratification of all such arrangements / transactions undertaken by the Company. The transactions were in the ordinary course of business of the Company and on an arm’s length basis.

The said related party transactions were approved by the Audit Committee of the Company.

S.No.	Particulars	Details of Transactions
1	Name of the Related Party	Rudraveerya Developers Limited
2	Relationship with the Company	Associate Company

3	Type, Material terms and particulars of the proposed transaction and Value of the proposed Transaction	Material terms and conditions are based on contract. Inter – corporate loans taken & repaid, interest paid an aggregating value not exceeding Rs. 10 Crore in the financial year 2021-2022 in the ordinary course of business at arm’s length price.
4	Nature of concern or interest of the related party	Financial
5	Transaction relating to any loans, inter-corporate deposits, advances or investments received or given by the Company.	
a	Details of Financial Indebtedness incurred	In the ordinary course of business.
b	Tenure	During financial year 2021-2022
c	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security.	Loans taken, repaid. Percentage of Interest paid is between 8 to 10% Loan is Unsecured in nature. Repayment schedule : As per Loan agreement
d	The purpose for which the funds will be utilized by the ultimate Beneficiary of such funds pursuant to the RPT.	In the ordinary course of business.
6	Justification as to why the RPT is in the interest of the Company	The transaction is repetitive in nature and in the ordinary course of business at arm’s length price.
7	Valuation or other external party report	Not applicable

None of the Directors, Key Managerial Personnel and other relatives are concerned or interested other than to the extent of their shareholding/ directorships, in the Resolution at Item No. 4 of the Notice. The Board recommends the Ordinary Resolution at Item No. 4 of this Notice for the approval of the members. No related party can vote on the Item no. 4. of this Notice.

#### **ITEM NO 5.**

Regulation 23 of the SEBI Listing Regulations, inter alia, states that effective from April 1, 2022, all Material Related Party Transactions (RPT) shall require prior approval of the shareholders by means of an Ordinary Resolution, even if such transaction(s) are in the ordinary course of business and at an arm’s length pricing basis. A transaction with a Related Party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds `1,000 crore or 10% of the annual consolidated turnover of a listed entity as per the last audited financial statements of the listed entity, whichever is lower.

The Management has provided the Audit Committee with relevant details of the RPT. The Audit Committee, after reviewing all necessary information, has granted its omnibus approval for entering into the below

mentioned RPT. The Audit Committee has noted that the said transaction will be at an arm's length pricing basis and will be in the ordinary course of business.

S.No.	Particulars	Details of Transactions
1	Name of the Related Party	Rudraveerya Developers Limited
2	Relationship with the Company	Associate Company
3	Type, Material terms and particulars of the proposed transaction and Value of the proposed Transaction	Material terms and conditions are based on contract. Inter – corporate loans taken & repaid, interest paid an aggregating value not exceeding Rs. 200 Crore in the financial year 2022-2023 in the ordinary course of business at arm's length price.
4	Nature of concern or interest of the related party	Financial
5	Transaction relating to any loans, inter-corporate deposits, advances or investments received or given by the Company.	
a	Details of Financial Indebtedness incurred	In the ordinary course of business.
b	Tenure	The Transactions are proposed to be undertaken during F.Y 2022-2023.
c	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security.	Loans taken, repaid. Percentage of Interest paid is between 8 to 10% Loan is Unsecured in nature. Repayment schedule : As per Loan agreement
d	The purpose for which the funds will be utilized by the ultimate Beneficiary of such funds pursuant to the RPT.	In the ordinary course of business.
6	Justification as to why the RPT is in the interest of the Company	The transaction is repetitive in nature and in the ordinary course of business at arm's length price.
7	Valuation or other external party report	Not applicable

None of the Directors, Key Managerial Personnel and other relatives are concerned or interested other than to the extent of their shareholding/ directorships, in the Resolution at Item No. 5 of the Notice. The Board recommends the Ordinary Resolution at Item No. 5 of this Notice for the approval of the members. No related party can vote on the Item no.5. of this Notice.

**ANNEXURE TO THE NOTICE**

**Details of the Director seeking Appointment-Re-Appointment at the forthcoming Annual General Meeting**

*(Pursuant to Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with Secretarial Standard – 2 on General Meetings)*

<b>Particulars</b>	<b>Description</b>
<b>Name of Director</b>	Mr. Rajan Goyal
<b>DIN</b>	<a href="#">02600825</a>
<b>Date of Birth</b>	October 07, 1976
<b>Age</b>	46 years
<b>Category of the Director</b>	Director (Non-Executive Non Independent)
<b>Educational Qualifications</b>	Post Graduate
<b>Experience</b>	In the field of accounts, taxation, marketing, etc.
<b>Expertise in specific functional areas</b>	He has good experience in Marketing and Research, good communication skill, interpersonal skills and sound business knowledge etc.
<b>Date of Appointment on the Board</b>	November 23, 2018
<b>Terms and conditions of appointment</b>	Appointment as Non Executive director
<b>Number of shares held in the Company as on March 31, 2022</b>	-
<b>List of Directorships held in other companies (excluding foreign, private and Section 8 companies)</b>	Nil
<b>Chairmanship - Membership of Committees in Audit and Stakeholders' Relationship Committees across Public Companies including Sonal Mercantile Limited</b>	Yes
<b>Relationship between Directors inter se</b>	Yes, brother of Mr. Vikram Goyal