



CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT 138th MEETING OF BOARD OF DIRECTORS OF DIFFUSION ENGINEERS LIMITED (CIN-U99999MH2000PLC124154) HELD AT SHORTER NOTICE ON WEDNESDAY, 13TH DECEMBER, 2023 AT 03:00 P.M. AT THE REGISTERED OFFICE OF THE COMPANY AT T-5 & 6, MIDC, HINGANA NAGPUR - 440 016 & SIMULTANEOUSLY CO-ORDINATED FROM REGISTERED OFFICE THROUGH VIDEO CONFERENCING.

RAISING OF CAPITAL THROUGH AN INITIAL PUBLIC OFFERING

The Chairman briefed the Board that the Company intends to undertake an initial public offer of its equity shares of face value of ₹ 10 each (the "Equity Shares") by way of a fresh issue of Equity Shares (the "Issue") and list the Equity Shares on one or more of the stock exchanges. The Issue structure will be finalized at the absolute discretion of the Board (which reference shall include any duly constituted committee thereof). The Company intends to undertake the Issue and list its Equity Shares at an opportune time in consultation with the book running lead manager appointed for the Issue (the "BRLM") and other advisors. The Issue may also include a reservation of certain number of Equity Shares for any category or categories of persons as permitted under Applicable Law or to provide a discount to the issue price to any class of investors, as permitted under Applicable Law.

After detailed discussion, the Board approved the following resolutions:

"RESOLVED THAT, subject to approval of the members of the Company and pursuant to the provisions of Sections 23, 62(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013, and the rules and regulations made thereunder, (including any statutory modifications or re-enactment thereof, for the time being in force) ("Companies Act"), and in accordance with and subject to the provisions of the Securities Contracts (Regulation) Act, 1956, and the rules made thereunder, as amended, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations"), the Foreign Exchange Management Act, 1999, as amended, and the rules and regulations made thereunder including the Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended and any other applicable rules, regulations, guidelines, clarifications, circulars and notifications issued by Government of India ("GoI"), Securities Exchange Board of India ("SEBI") or Reserve Bank of India ("RBI"), Department for Promotion of Industry and Internal Trade ("DPIIT") and any other applicable laws, rules and regulations, in India or outside India (including any amendment thereto or re-enactment thereof for the time being in force) (collectively, the "Applicable Laws"), and in accordance with the provisions of the Memorandum of Association and the Articles of Association of the Company and the uniform listing agreements to be entered into between the Company and the respective stock exchanges where the Equity Shares are proposed to be listed ("the Stock Exchanges"), and subject to any approvals from the GoI, the Registrar of Companies, Mumbai at Maharashtra ("RoC"), SEBI, RBI, the Department of Economic Affairs, Ministry of Finance, Government of India ("DEA"), Ministry of Commerce and Industry, Government of India, DPIIT and all other appropriate statutory authorities and departments (the "Regulatory Authorities"), and such other approvals, consents, waivers, permissions and sanctions,



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which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include a duly authorized committee thereof for the time being to exercise the powers conferred by the Board including the powers conferred by this resolution), the consent and approval of the Board be and is hereby accorded to create, issue, allot such number of equity shares of face value of ₹ 10 each of the Company (the "Equity Shares") up to 1,20,00,000 (One Crore Twenty lakhs) equity shares of the face value of ₹ 10/- each, to be issued at par or at premium in accordance with the provisions of SEBI ICDR Regulations comprising of a fresh issue of Equity Shares, at a price to be determined in consultation with the book running lead manager appointed in respect of the Issue ("BRLM"), by the book building process in terms of the SEBI ICDR Regulations or otherwise in accordance with Applicable Laws, at such premium or discount per Equity Share as permitted under Applicable Laws and as may be fixed and determined by the Company in consultation with the BRLM in accordance with the SEBI ICDR Regulations, out of the authorized share capital of the Company to any category of person or persons as permitted under Applicable Laws, who may or may not be the shareholder(s) of the Company as the Board may, decide, including anchor investors, if any, and qualified institutional buyers as defined under Regulation 2 (1)(ss) of the SEBI ICDR Regulations, one or more of the members of the Company, eligible employees (through reservation or otherwise), Hindu Undivided Families, Foreign Portfolio Investors as defined under the SEBI (Foreign Portfolio Investors) Regulations, 2019, Indian and/ or multilateral and bilateral financial institutions, Venture Capital Funds, Alternative Investment Funds, Non-Resident Indians, State Industrial Development Corporations, Insurance Companies, Provident Funds, Pension Funds, National Investment Fund, Insurance Funds set up by army, navy, or air force of the Union of India, Insurance Funds set up and managed by the Department of Posts, India, Trusts registered under Indian Trusts Act, 1882 and Societies registered under the Societies Registration Act, 1860, Development Financial Institutions, Systemically Important Non-banking Financial Companies, Indian Mutual Funds, Members of Group Companies, Indian Public, Bodies Corporate, Companies (private or public) or other entities (whether incorporated or not), Authorities, and to such other persons including high net worth individuals, retail individual bidders or other entities, in one or more combinations thereof and/ or any other category of investors as may be permitted to invest under Applicable Laws (collectively referred to as the "Investors") by way of the Issue in consultation with the BRLM and/ or underwriters and/ or the stabilizing agent pursuant to a green shoe option and/ or other advisors or such persons appointed for the Issue and on such terms and conditions as may be finalised by the Board in consultation with the BRLM through an issue document, prospectus and/ or an issuing memorandum, as may be required, and the decision to determine the category or categories of investors to whom the Issue shall be made to the exclusion of all other categories of investors at the time of such Issue and allotment of Equity Shares considering the prevailing market conditions and other relevant factors wherever necessary and in such manner as the Board may in its discretion, deem fit, including in consultation with BRLM, underwriters and/ or stabilizing agent and/ or other advisors as may be appointed for the Issue on such terms as may be deemed appropriate by the Board, and that the Board in consultation with the BRLM may finalise all matters incidental thereto as it may in its absolute discretion thinks fit. Further, in consultation with the designated stock exchange an oversubscription, to the extent of 1% of the Issue may be made for the purpose of making allotment in minimum lots, while finalizing the basis of allotment.

RESOLVED FURTHER THAT subject to approval of the members of the Company, the Board be and is hereby authorized on behalf of the Company to make available for allocation a portion of the Issue to any category(ies) of persons permitted under Applicable Laws, including without limitation, eligible employees (the "**Reservation**") or to provide a discount to the Issue price to retail individual bidders or eligible employees (the "**Discount**"); and to take any and all actions in connection with any Reservation or Discount as the Board may think fit or proper in its absolute discretion, including, without limitation, to negotiate, finalize and execute any document or agreement, and any amendments, supplements, notices or corrigenda thereto; seek any consent or approval required or necessary; give directions or instructions and do all such acts, deeds, matters and things as the Board may, from time to time, in its absolute discretion, think necessary, appropriate, or desirable; and settle any question, difficulty, or doubt that may arise with regard to or in relation to the foregoing.

RESOLVED FURTHER THAT subject to approval of the members of the Company, the Equity Shares issued pursuant to the Issue along with the existing shares held by the current members shall be listed on one or more recognized stock exchanges in India.

RESOLVED FURTHER THAT subject to approval of the members of the Company, for the purpose of giving effect to the Issue, the Board or any committee constituted in this respect, be and is hereby authorized to allot Equity Shares and finalise other matters in connection with or incidental to the Issue, including determining any anchor investor portion and allocate such number of Equity Shares to the anchor investor in accordance with the SEBI ICDR Regulations.

RESOLVED FURTHER THAT all monies received out of the Issue shall be transferred to a separate bank account referred to in Section 40(3) of the Companies Act, 2013, and application monies received pursuant to the Issue shall be refunded/ unblocked within such time, as specified by SEBI and in accordance with applicable law, or the Company shall pay interest on failure thereof, as per applicable law.

RESOLVED FURTHER THAT subject to approval of the members of the Company, for the purpose of giving effect to the above resolutions and any Issue of Equity Shares pursuant to the Issue, the Board and any other committee thereof, in consultation with the BRLM, be and is hereby authorized to determine the terms of the Issue including the class of investors to whom the Equity Shares are to be Issued, the number of Equity Shares to be Issued in each tranche, Issue price, premium amount, discount on Issue price to reserved categories (as allowed under Applicable Laws), listing on one or more Stock Exchanges in India as the Board in its absolute discretion deems fit and do all such acts, deeds, matters and things and to negotiate, finalize and execute such deeds, documents, agreements and any amendment thereto, as it may, in its absolute discretion, deem necessary, proper or desirable including arrangements with BRLM, underwriters, escrow agents, legal advisor, etc., to approve incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Issue and to settle or give instructions or directions for settling any questions, difficulties or doubts that may arise, in regard to the Issue of the Equity Shares and such other activities as may be necessary in relation to the Issue and to accept and to give effect to such modifications, changes, variations, alterations,

deletions and/or additions as regards the terms and conditions as it may, in its absolute discretion, deem fit and proper in the best interest of the Company and the Issue, without requiring any further approval of the members and that all or any of the powers conferred on the Company and the Board pursuant to these resolutions may be exercised by the Board or such Committee thereof as the Board may constitute on its behalf."

RESOLVED FURTHER THAT subject to approval of the members of the Company and compliance with Applicable Laws such Equity Shares as are not subscribed may be disposed of by the Board in consultation with the BRLM to such persons and in such manner and on such terms as the Board in its absolute discretion thinks most beneficial to the Company including issuing or placing them with banks/financial institutions/investment institutions/mutual funds /bodies corporate/such other persons or otherwise.

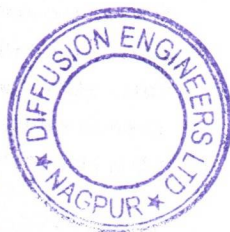
RESOLVED FURTHER THAT subject to approval of the members of the Company, in connection with any of the foregoing resolutions, the members of the Board, including any committee of the Board and such other persons as may be authorized by the Board, on behalf of the Company, be and are hereby severally or jointly authorized to execute and deliver any and all documents, papers or instruments, Issue and provide certificates and to do or cause to be done any and all acts or things as may be necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing resolutions for the Issue; and any such documents so executed and delivered or acts and things done or caused to be done shall be conclusive evidence of the authority of the Company in so doing and any document so executed and delivered or acts and things done or caused to be done prior to the date hereof are hereby ratified, confirmed and approved as the acts and deeds of the Company, as the case may be.

RESOLVED FURTHER THAT a copy of the above resolution, certified to be true by any Director or Company Secretary, be forwarded to concerned authorities for necessary actions."

**CERTIFIED TRUE COPY
FOR DIFFUSION ENGINEERS LIMITED**

Chanchal

**Chanchal Jaiswal
Company Secretary
Membership no. A67136**



**Date: 13th December 2023
Place: Nagpur**