



**COMPLIANCE CERTIFICATE**

**(Pursuant to Regulation 163(2), Part III of chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 including any amendment/modification thereof**

To  
The Board of Directors,  
**Mega Nirman & Industries Limited**  
C-1/50,5 Bharat Vihar Road, Raja Puri,  
Uttam Nagar Uttam Nagar  
West Delhi, Delhi-110059

Dear Sir / Madam,

**PRACTISING COMPANY SECRETARY'S CERTIFICATE ON THE COMPLIANCE WITH REQUIREMENTS OF CHAPTER V OF THE SECURITIES EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS 2018 AS AMENDED (THE "SEBI ICDR REGULATIONS") IN RELATION TO PROPOSED PREFERENTIAL ISSUE OF 2,50,00,000 (TWO CRORE AND FIFTY LAKHS) FULLY CONVERTIBLE WARRANTS OF RS. 15/- EACH**

1. This certificate is issued in accordance with the terms of our engagement with Mega Nirman & Industries Limited vide letter dated 25/08/2023

2. We have been requested by the Board of Directors of Mega Nirman & Industries Limited ("the Company") having CIN L70101DL1983PLC015425 and having Registered office at C-1/50,5 Bharat Vihar Road, Raja Puri, Uttam Nagar Uttam Nagar New Delhi DL 110059 IN to certify that proposed preferential issue of 2,50,00,000 (Two Crore and Fifty Lakhs) Fully Convertible Warrants ('Warrants') carrying a right exercisable by the Warrant holder to subscribe to one Equity Share having face value of Rs.10/- per Warrant to the 'Non-Promoter, Public Category', for cash, at an issue price of Rs. 15/- (Rupees Fifteen Only) each, in accordance with the provisions of Chapter V of ICDR Regulations, for an aggregate amount of Rs. 37,50,00,000/- (Rupees Thirty-Seven Crores and Fifty Lakhs only), as approved by the Board of Directors of the Company in their meeting held on August 25, 2023 subject to approval of shareholders of the Company, stock exchanges approval and any other regulatory authority approval, and in terms of requirements of sub-regulation 2 of Regulation 163 of Part III of Chapter V of the ICDR Regulations and the applicable provisions of the Companies Act, 2013 (the Act") and Rules made thereunder

This certificate is required to be placed before the Annual General Meeting of the shareholders to be held on September 27, 2023 as per requirement of Regulation 163(2) of the SEBI (ICDR) Regulations: The Preferential Offer shall be made to the following proposed allottees (hereinafter referred to as "Proposed Allottees")



SNO	Name of Proposed Allottee	Permanent Account Number	Warranty Issued
1	M.D.S. Infrastructure Private Limited	AAFCM3999J	20,00,000
2	Pearl Dealers Private Limited	AAECP4377L	20,00,000
3	One Tree Hill Properties Private Limited	AAACO6317K	20,00,000
4	Orchard Road Properties Private Limited	AAACO6316J	20,00,000
5	Ayodhya Vincom Private Limited	AAJCA0123A	20,00,000
6	Kiwi Dealcom Private Limited	AAECK1653Q	20,00,000
7	STRM India Securities Private Limited	ABJCS5039C	18,00,000
8	Aryadeep Tie Up Private Limited	AAKCA2247E	17,00,000
9	Sonali Gupta	BETPG9548B	20,00,000
10	Vasu Mohlay	GNPM4198G	20,00,000
11	Pooja Mohlay	AAJPM4134C	17,00,000
12	Puneet Kumar Mohlay	AAJPM4135D	17,00,000
13	Ankan Gupta	BTNPG1533K	14,00,000
14	Santosh Singhal	AAAPS7730B	7,00,000

### Management Responsibility

3 The Compliance with Chapter V of the ICDR Regulations for the proposed Preferential Issue is the responsibility of the Management of the Company. Management is also responsible for preparation and maintenance of all accounting and other relevant support records and documents. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation of internal controls relevant to the preparation/ presentation of the notice and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.

4. The Management is also responsible for providing all relevant information to the SEBI and/or BSE Limited

5. The Management is also responsible for ensuring that the Company complies with the below requirements of ICDR Regulations:

i) Determining the relevant date being the date thirty days prior to the date on which the meeting of shareholders is held to consider the proposed preferential issue

ii) Determine the minimum price of the equity shares in accordance with regulation 164 of the ICDR Regulations

iii) Compliance with all other requirements of ICDR Regulations.



IV Regulation 166A states that the said preferential issue, which will result in allotment of more than five percent of post issue fully diluted share capital of the Company to an allottee or to allottees acting in concert and the same shall require a valuation report from an independent Registered Valuer for determining the price

The Valuation Report obtained from Mr. Angad Singh an Independent Registered Valuer Registration No IBBI/RV/03/2021/14261 (Valuation Report Dated August 25, 2023) in terms of provisions of Regulation 164 and 166A of Chapter V of SEBI ICDR Regulations, 2018 is Rs. 14.40/-

### **Practicing Company Secretary's Responsibility**

7. Pursuant to the requirements of Regulation 163 (2) of Chapter V of SEBI ICDR Regulations as amended it is our responsibility to provide limited assurance that the proposed preferential issue of Fully Convertible Warrants ('Warrants') to the proposed allottee as mentioned above are being made in accordance with the requirements of Chapter V-Preferential Issue of SEBI (ICDR) Regulations to the extent applicable and applicable provisions of the Act and Rules made thereunder.

On the basis of the relevant management inquiries, necessary representations and information received from/furnished by the management of the Company (Management") as required under the aforesaid Regulations, we have verified that the issue is being made in accordance with the requirements of these regulations as applicable to the preferential issue, more specifically we have performed the following procedure to confirm the compliance with required conditions:

- a) Reviewed the Memorandum of Association and Articles of Association of the Company
- b) Reviewed the present capital structure including the details of authorized subscribed, issued, paid up capital of the Company along with the shareholding pattern
- c) Obtained and read a certified true copy of the resolutions of Board of Directors of the Company dated August 25, 2023 approving the issuance of 2,50,00,000 (Two Crore and Fifty Lakhs) Fully Convertible Warrants ('Warrants') carrying a right exercisable by the Warrant holder to subscribe to one Equity Share having face value of Rs.10/- per Warrant to the 'Non-Promoter, Public Category', for cash, at an issue price of Rs. 15/- (Rupees Fifteen Only) each, in accordance with the provisions of Chapter V of ICDR Regulations, for an aggregate amount of Rs. 37,50,00,000/- (Rupees Thirty-Seven Crores and Fifty Lakhs only), subject to approval of shareholders of the Company, stock exchanges approval and any other regulatory authority approval, and in terms of requirements of sub-regulation 2 of Regulation 163 of Part III of Chapter V of the ICDR Regulations, 2018 and the applicable provisions of the Companies Act, 2013 (the Act") and Rules made thereunder
- d) Reviewed the list of proposed allottee(s)
- e) Obtained and read the notice dated August 25, 2023 of the ensuing Annual General Meeting that is proposed to be held on September 27, 2023, containing the proposed special resolution and corresponding explanatory statement under section 102 of the Act seeking approval of the members of the Company for issue of 2,50,00,000 (Two Crore and Fifty Lakhs) Fully Convertible Warrants ('Warrants') carrying a right exercisable by the Warrant holder to subscribe to one Equity Share having face value of Rs.10/- per Warrant to the 'Non-Promoter, Public Category', for cash, at an issue price of Rs. 15/- (Rupees Fifteen Only) each, in accordance with the provisions of Chapter V of ICDR Regulations, for an aggregate amount of Rs. 37,50,00,000/- (Rupees Thirty-Seven Crores and Fifty Lakhs only)



- i) Read notice dated August 25, 2023 of the ensuing Annual General Meeting to verify the following disclosure in explanatory statement as required under Companies Act, 2013 and the Companies (Share Capital and Debentures) Rules, 2014, Companies (Prospectus and Allotment of Securities) Rules, 2014 and regulation 163 (1) of the ICDR Regulation-
- a) objects of the preferential issue;
  - b) maximum number of specified securities to be issued;
  - c) intent of the promoters, directors, key managerial personnel or senior management of the issuer to subscribe to the offer
  - d) shareholding pattern of the issuer before and after the preferential issue;
  - e) time frame within which the preferential issue shall be completed
  - f) 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 except in case of listed company, mutual fund, scheduled commercial bank, insurance company registered with the Insurance Regulatory and Development Authority of India in the chain of ownership of the proposed allottee, no further disclosure will be necessary.
  - g) the percentage of post preferential issue capital that may be held by the allottee(s) and change in control, if any, in the issuer consequent to the preferential issue
  - h) undertaking that the issuer shall re-compute the price of the specified securities in terms of the provision of these regulations where it is required to do so;
  - i) undertaking that if the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked- in till the time such amount is paid by the allottees.
  - j) disclosures specified in Schedule VI of the SEBI (ICDR) Regulations, if the issuer or any of its promoters or directors is a wilful defaulter or a fraudulent borrower.
  - k) the current and proposed status of the allottee(s) post the preferential issues namely, promoter or non-promoter.
- i) to verify the lockin period as required under regulation 167 of the regulations is mentioned in the Explanatory Statement from the date of their allotment
- ii) to verify the terms for payment of consideration and allotment as required under regulation 169 of the regulations.



F) Details of buying and dealing in the Equity Shares of the Company by the proposed allottees during the 90 days preceding the relevant date

G) Verified the confirmation received from Company's Registrar and Transfer Agent (RTA) that the proposed allottees have not sold or transfer any equity shares of the Company during the last 90 trading days preceding the Relevant Date i.e August 28, 2023

H) Verified the letter received from the proposed allottee that they have not sold or transfer any equity shares of the Company during the last 90 trading days preceding the relevant date i.e August 25, 2023

I) Obtained the statement of Computation of Minimum price for the preferential Issue calculated based on the pricing formula prescribed under Regulation 164(1) of SEBI (ICDR) Regulations, 2018. The Minimum Price for the proposed preferential issue of the Company based on the pricing formula prescribed under the SEBI (ICDR) Regulations 2018 has been worked out at Rs. 14.07

J) Downloaded the data of volume weighted Average Price Equity shares of the Company from the official website of BSE Limited and verified the computation for 90 and 10 trading days of the volume weighted average price

K) Reviewed the computation of the minimum issue price based on higher of (a) or (b) provided as under:

(a) The 90 trading days volume weighted average price of related equity shares quoted on the recognised stock exchange preceding the Relevant date or

(b) The 10 trading days volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the relevant date

L) Confirmation of Payment of Annual Listing fees for the financial year 2023-24 in respect of equity shares of the Company listed on BSE Limited

M) Performed necessary inquiries with the management and have obtained necessary representation from management.

## **OPINION**

Based on the procedures performed by us above and the information and explanations given to me by the management and KMP's of the Company and the Valuation Report obtained from Mr. Angad Singh an Independent Registered Valuer Registration No IBBI/RV/03/2021/14261 (Valuation Report Dated August 25, 2023) in terms of provisions of Regulation 164 and 166A of Chapter V of SEBI ICDR Regulations, 2018, in our opinion, the minimum price for the proposed preferential issue is INR 14.40.per equity but the issue price is fixed at INR 15.00 which is in compliance with the provisions under SEBI (ICDR) Regulations, 2018



**RESTRICTION ON USE**

The certificate is intended solely for the use of the management of the Company for the purpose of placing before the Annual General Meeting of Shareholders/making it available for inspection by the shareholders and/or submission to the BSE Limited and/or any regulatory authority in connection with the preferential issue under the Chapter V of SEBI (ICDR) Regulations, 2018, and is not to be used for any marketing sale or any other offer of securities or referred to for any other purpose or distributed to any other person without prior consent. Accordingly, I do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior written consent in writing. I have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

Date: 01/09/2023

Place: Delhi

**For Apoorv & Associates**  
**Company Secretaries**

**CS Apoorv Srivastava**  
**Proprietor**

**M. No.: F12734, C.P. No.: 21063**

**Unique Code Number S2018UP633000**

**Peer Review Certificate No:4064/2023**

**UDIN: F012734E000912303**