



## COMPLIANCE CERTIFICATE

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

To,  
The Board of Directors,  
**Prospect Commodities Limited**  
417, Sun Orbit, B/h. Rajpath Club Road,  
Bodakdev, Ahmedabad, Gujarat, India, 380054.

**Sub: Certificate under Regulation 163(2) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018**

I, Hitesh Kumar Bhardwaj, Proprietor of M/s HKB & Associates (a firm of Company Secretaries) have been appointed by Prospect Commodities Limited (hereinafter referred to as '**Company**'), bearing CIN U01400GJ2022PLC128482 and having its Registered Office at 417, Sun Orbit, B/h. Rajpath Club Road, Bodakdev, Ahmedabad, Gujarat, India, 380054 to issue this Compliance Certificate in accordance with Regulation 163(2) of Chapter V of SEBI (Issue of Capital and Disclosure Requirements), Regulations, 2018 as amended from time to time, (hereinafter referred to as "**ICDR Regulations**").

In accordance with the ICDR Regulations, the Company has proposed issue of 8,70,000 equity shares and 11,75,000 convertible warrants at a price of Rs. 64/- each (including the warrant subscription price and the warrant exercise price) including premium of Rs. 54/- each payable in cash aggregating upto Rs. 13,08,80,000/- (Rupees Thirteen Crore Eight Lakh Eighty Thousand only) or such higher price as may be arrived at in accordance with the ICDR Regulations on preferential allotment basis. For Equity Shares 100% of the issue price will be payable at the time of allotment of Equity Shares and for Warrants (i) 25% of the issue price will be payable at the time of subscription to the Warrants and (ii) balance 75% of the issue price of the Equity Shares shall be payable by the Warrant holder(s) at the time of exercising the Warrants. The proposed preferential issue was approved at the Meeting of Board of Directors of the Company held on Thursday, February 15, 2014.

On the basis of the relevant management inquiries, necessary representations and information received from/furnished by the management of the Company (“the Management”), as required under the aforesaid ICDR Regulations, I have verified that the issue is being made in accordance with the requirements of these ICDR Regulations as applicable to the preferential issue, more specifically, the following:

- i. Memorandum of Association and Articles of Association of the Company;
- ii. The Present capital structure including the details of the Authorised, Subscribed, Issued and Paid-up share capital of the Company along with the shareholding pattern;
- iii. Resolutions passed at the meeting of the Board of Directors;
- iv. List of Proposed Allottees;
- v. The relevant date in accordance with Regulation 161 of the ICDR Regulations. The relevant date for the purpose of said minimum issue price is February 12, 2024;
- vi. The statutory registers of the Company and List of shareholders issued by Registrar and Share Transfer Agent (RTA):
  - a. to note that the equity shares are fully paid up.
  - b. all equity shares held by the proposed allottees in the Company are in dematerialised form.
- vii. Disclosures under the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, if any, made by proposed allottees during the 90 trading days preceding the relevant date;  
**(Not Applicable)**
- viii. Details of buying, selling and dealing in the Equity Shares of the Company by the proposed allottees, Promoter or Promoter Group during the 90 trading days preceding the relevant date;  
**(Not Applicable)**
- ix. Permanent Account Numbers of the proposed allottees, except those allottees who are exempt from specifying their Permanent Account Number for transacting in the securities market by the Board;
- x. Draft notice of General Meeting and Explanatory Statement:
  - a. to verify the disclosure in Explanatory Statement as required under Companies Act, 2013 and the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 163(1) of the ICDR Regulations.
  - b. to verify the lock-in period as required under Regulation 167 of the ICDR Regulations.

- c. to verify the terms for payment of consideration and allotment as required under Regulation 169 of the ICDR Regulations.
- xi. Computation of the minimum price of Equity and Warrants to be allotted in preferential issue in accordance with the ICDR Regulations. The minimum issue price for the proposed preferential issue of the Company, based on the pricing formula prescribed under the ICDR Regulations has been worked out at Rs. 62.5415/-;
- xii. Board/shareholder's resolution and statutory registers to verify that promoter(s) or the promoter group has not failed to exercise any warrants of the Company which were previously subscribed by them;
- xiii. Valuation Report of Independent Registered Valuer for pricing of frequently traded shares;
- xiv. Verified the relevant statutory records of the Company to confirm that:
  - a. it has no outstanding dues to the SEBI, the stock exchanges or the depositories except those whose are the subject matter of a pending appeal or proceeding(s), which has been admitted by the relevant Court, Tribunal or Authority.
  - b. it is in compliance with the conditions for continuous listing of equity shares as specified in the listing agreement with the stock exchange where the equity shares of the Company are listed and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015, as amended, and any circular or notification issued by the Board thereunder.

It is the responsibility of the Management to comply with the requirements of the ICDR Regulations, including the preparation and maintenance of all accounting and other relevant supporting records, designing, implementing and maintaining internal control relevant to preparation of Notice and explanatory statement, determination of relevant date and minimum price of Equity Shares and Warrants and making estimates that are reasonable in the circumstances.

**Assumptions & Limitation of Scope and Review:**

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the Company.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We are not expressing any opinion on the price computed / calculated and/or the price at which the warrants are being issued by the Company.

4. This certificate is solely for the intended purpose of compliance in terms of aforesaid ICDR Regulations and for your information and it is not to be used, circulated, quoted or otherwise referred to for any other purpose other than compliance with the aforesaid ICDR Regulations.

**Certification:**

Based on my examination of such information/documents and explanation furnished to me by the management and employees of the Company and to the best of my knowledge and belief, I hereby certify that proposed preferential issue is being made in accordance with the requirements of the ICDR Regulations.

**For HKB & Associates**

**Company Secretaries**

Firm Unique Code: S2018DE630000

Firm Peer Review No. 2730/2022

**(Hitesh Kumar Bhardwaj)**

**Proprietor**

ACS: 55268; COP: 21001

UDIN: A055268E003439616

Date: February 15, 2024

Place: New Delhi