

# PRASHANT SHARMA & ASSOCIATES

PRACTICING COMPANY SECRETARY  
B.COM, ACS, LLB, PGDFM

September 26, 2023

The Board of Directors  
**Hindustan Foods Limited**  
**CIN L15139MH1984PLC316003**  
Level One & Two, The Centrium,  
Phoenix Market City, LBS Marg,  
Kurla (W), Mumbai 400 070

**Sub: Compliance Certificate in terms of applicable provisions under Chapter V of SEBI ICDR Regulations**

**Ref: Preferential Issue of 15,96,027 Convertible Warrants to Non QIBs (Non-Promoters) and 56,75,054 Convertible Warrants to Qualified Institutional Buyers (Non-Promoters).**

We, Prashant Sharma & Associates, Practicing Company Secretaries, in accordance with the terms of the letter of engagement dated September 22 2023 have been appointed by **Hindustan Foods Limited** (hereinafter referred to as the “**Company**”) as per the requirement of Regulation 163(2) under Chapter V of the Securities and Exchange Board of India (the “**SEBI**”) (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time (the “**SEBI ICDR Regulations**”).

This certificate is issued in accordance with the requirements of Regulation 163(2) of Chapter V ‘Preferential Issue’ of the SEBI ICDR Regulations in connection with the proposed issue of 15,96,027 Convertible Warrants to Non QIBs (Non-Promoters) and 56,75,054 Convertible Warrants to Qualified Institutional Buyers (Non-Promoters) on a preferential basis with an Issue Price of Rs. 563.90/- (Rupees Five Hundred Sixty Three and Paise Ninety Only) each and Rs. 546.25/- (Rupees Five Hundred Forty Six and Paise Twenty Five Only) each, respectively (“**Preferential Issue**”). The Preferential Issue is approved at the Meeting of Board of Directors of the Company held on September 22, 2023.

## **Managements’ Responsibility**

The compliance with the relevant provisions of SEBI ICDR Regulations and the Act for the proposed preferential issue of Convertible Warrants and preparation of the Extra-Ordinary General Meeting Notice, including its content, is the responsibility of the management of the Company. This responsibility includes the design, implementation, maintenance of and adherence to the internal controls relevant to the preparation and maintenance of the relevant records and providing all relevant information. Also, this responsibility includes ensuring that the relevant records provided to us for our examination are correct and complete.

The management is also responsible for providing all relevant information to the Securities and Exchange Board of India and/or the stock exchange(s). In terms of the SEBI ICDR Regulations, the management of the Company has obtained a valuation report from FCA Payal Gada, a Chartered Accountant (ICAI Membership No: 110424) and an Independent Valuer, in her capacity as a Registered Valuer”); under the category of Securities or Financial Assets, registered with the Insolvency and Bankruptcy Board of India (“IBBIs, IBBI Registration No. IBBI/RV/06/2019/11170 to consider the same for determining the price of the Convertible Warrants to be allotted pursuant to the preferential issue.

The Management of the Company has also obtained a pricing certificate from the undersigned in terms of Regulation 164(1) of SEBI ICDR Regulations.

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

Pursuant to the requirements of Regulation 163(2) of the SEBI ICDR Regulations, it is our responsibility to provide limited assurance that the proposed preferential issue of the Convertible Warrants to the proposed allottees as mentioned above, are being made in accordance with the requirements of the SEBI ICDR Regulations to the extent applicable and applicable provisions of the Act and rules framed thereunder

On the basis of relevant management inquiries, necessary representations and information received from/furnished by the management of the Company as required under the aforesaid regulations, we have verified that the issue is being made in accordance with the requirements of the SEBI ICDR Regulations as applicable to the Preferential Issue, more specifically to the following:

- i. Memorandum of Association and Articles of Association of the Company;
- ii. List of Proposed Allottees;
- iii. Certified true copy of resolution passed in the meeting of the Board of Directors held on September 22, 2023 and verified that the Company has determined the 'Relevant Date' as defined in the Regulation 161 of SEBI ICDR Regulations as September 20, 2023 in respect of the proposed Preferential Issue;
- iv. Copy of the Notice to shareholders for Extra-Ordinary general meeting ("EGM") to be held on October 20, 2023 for the proposed preferential issue approved by Board of Directors in their meeting held on September 22, 2023;
- v. The statutory registers of the Company and the list of shareholders issued by 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.

Details of buying, selling and dealing in the Equity Shares of the Company by the proposed allottees during the 90 trading days preceding the Relevant Date;

- vi. Verified the confirmation received from the Company's Registrar and Share transfer agent (RTA) that all the proposed allottee haven't sold or transfer any Equity Shares of the Company during the last 90 trading days preceding the Relevant Date i.e. September 20, 2023;
- vii. Verified the consent letter received from the proposed allottees that they haven't sold or transfer any Equity Shares of the Company during the last 90 trading days preceding Relevant Date i.e. September 20, 2023;
- viii. Verified Permanent Account Number (PAN) of the proposed allottees using available online portal;

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- ix. Verified the disclosure in Explanatory Statement as required under Companies Act, 2013 & the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 163(1) of the SEBI ICDR Regulations;
- x. Verified the terms for payment of consideration and allotment as required under Regulation 169 of the SEBI ICDR Regulations;
- xi. Obtained the Statement of Computation of Minimum Price for the Preferential Issue calculated based on the pricing formula prescribed under Regulation 164(1) and Regulation 164(4) of the SEBI ICDR Regulations. The minimum issue price for the proposed preferential issue of the Company, based on the pricing formula prescribed under the SEBI ICDR Regulations has been worked out at Rs. 546.22/- and Rs. 563.86/-
- xii. Downloaded the data of the volume weighted average price of the Equity Shares of the Company from the official website of National Stock Exchange of India Limited and verified the computation for 90 and 10 trading days of the volume weighted average price;
- xiii. Reviewed the computation of the minimum issue price;
- xiv. Verified the relevant statutory records of the Company to confirm that:
  - (a) The Company 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) The Company is in compliance with the conditions for continuous listing of Equity Shares as specified in the listing agreement with the Stock Exchanges where the Equity Shares of the Company are listed and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- xv. Performed necessary inquiries with the management and have obtained necessary representation from management.

## Opinion

Based on the procedures performed by us as above, and the information and explanations given to us by the Management and KMPs of the Company, in our opinion; the minimum price for the proposed preferential issue is Rs. 546.22 and Rs. 563.86/- per Equity Share as per trading on NSE (where the maximum volume is recorded) and is computed in accordance with Regulation 164(1) and Regulation 164(4) of the SEBI ICDR Regulations but the issue price is fixed by the Board of Directors at Rs. 546.25 for QIB Allottees and Rs. 563.90/- for Non QIB Allottees which is in compliance with provisions under the SEBI ICDR Regulations.

We further certify that the proposed Preferential Issue is being made in accordance with the requirements of SEBI ICDR Regulations as amended from time to time, to the extent applicable.

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## **Restriction on Use**

This certificate is intended solely for the use of the management of the Company for the purpose of placing before the Extra-Ordinary General Meeting of shareholders/making it available for inspection by shareholders and/or submission to the National Stock Exchange of India Limited and / or any Regulatory Authority in connection with the Preferential Issue under Chapter V of the SEBI ICDR Regulations, 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 our prior written consent. Accordingly, we 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. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

For **Prashant Sharma & Associates**  
Practising Company Secretary

**Prashant Sharma**  
**Proprietor**  
M.No. 21775 CP No. 7902

**Place: - Mumbai**  
**Date: - 26/09/2023**  
**UDIN: A021775E001088060**