



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 Members,
Mangalam Worldwide Limited (CIN: L27100GJ1995PLC028381)
102, Mangalam Corporate House,
42, Shrimali Society,
Netaji Marg, Mithakhali,
Navrangpura,
Ahmedabad - 380 009, Gujarat, India.

Dear Members,

Sub: Certificate of Practicing Company Secretary in respect of compliance of provisions of Chapter V of SEBI (Issue of Capital and Disclosure Requirements), Regulations, 2018 as amended in relation to proposed preferential issue of 52,00,000 Convertible Warrants by Mangalam Worldwide Limited.

We, M/s Sparsh Gupta & Co., Company Secretaries, Ahmedabad, have been appointed vide by email dated 22nd February, 2023 by Mangalam Worldwide Limited (hereinafter referred to as 'Company') (CIN: L27100GJ1995PLC028381) and having its Registered Office at 102, Mangalam Corporate House, 42, Shrimali Society, Netaji Marg, Mithakhali, Navrangpura, Ahmedabad - 380 009, Gujarat, India, 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 "Regulations") for issue of 52,00,000 (Fifty-Two Lakhs) Convertible Warrants ('Warrants/Convertible Warrants') on a preferential basis to the following proposed allottees. The proposed preferential issue was approved at the Meeting of Board of Directors of the Company held on 27th February, 2023, subject to shareholders' approval:

Sr. No.	Name of the Proposed Allottee(s)	Category	Number of Convertible Warrants to be issued
1	Mr. Vipin Prakash Mangal	Promoter	15,00,000
2	Mr. Chanakya Prakash Mangal	Promoter	11,00,000
3	Mr. Chandragupt Prakash Mangal	Promoter	19,00,000
4	Mrs. Rashmi Mangal	Promoter Group	4,50,000
5	Mrs. Honey Mangal	Promoter Group	50,000
6	Mrs. Shitalben Pravinkumar Patel	Public	2,00,000
Total			52,00,000





As per the requirement of Regulation 163(2) of the SEBI (ICDR) Regulations, this certificate is required to be placed before the Extra-Ordinary General Meeting of the members of the Company to be held on Friday, 24th March, 2023.

Managements' Responsibility:

The compliance with the aforesaid and relevant SEBI (ICDR) Regulations and the Act for the preferential issue of convertible warrants and preparation of the Notice convening Extra-Ordinary General Meeting, including its contents 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 SEBI and/or Stock Exchange(s).

The said preferential issue (post conversion), will result in allotment of more than five percent of the post issue fully diluted share capital of the Company to the allottees acting in concert, and the same shall require a Valuation Report from an Independent Registered Valuer for determining the price.

Hence, the Management of the Company has appointed CS RV Abhishek Chhajed, an IBBI Registered Valuer having his office at 134-1-2 Nilkanthnagar, Gordhanwadi Tekra, Kankaria, Ahmedabad - 380 001, Gujarat, India, for obtaining Valuation Report in terms of Regulation 164(1) r.w. Regulation 166A(1) of SEBI (ICDR) Regulation, as amended.

Practicing Company Secretary's Responsibility:

Pursuant to the requirements of Regulation 163(2) of Chapter V of the SEBI (ICDRE) Regulations, as amended, it is our responsibility to provide limited assurance that the proposed preferential issue of convertible warrants to the proposed allottees as mentioned above, are being made in accordance with the requirements of "Chapter V - Preferential Issue" of the SEBI (ICDR) Regulations to the extent applicable and applicable provisions of the Act and rules framed thereunder.

On the basis of the relevant management inquires, 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 these Regulations as applicable to the preferential issue, more specifically, the following:

1. Reviewed and verified the certified true copy of the resolution passed by the Board of Directors of the company at its meeting held on 27th February, 2023, approving issuance of upto 52,00,000 (Fifty-Two Lakh) Convertible Warrants to the proposed allottees on preferential basis for cash in





accordance with the provisions of SEBI (ICDR) Regulations and other applicable laws, subject to the approval of the shareholders of the company.

2. Verified that all the present equity shares are fully paid up.
3. Reviewed and verified that the draft notice convening the Extra-Ordinary General Meeting on 24th March, 2023, seeking approval of the shareholders of the company for the preferential issue of upto 52,00,000 (Fifty-Two Lakhs) Convertible Warrants at an issue price of Rs. 107/- per warrant, each convertible into equivalent number of fully paid-up Equity Shares of face value of Rs.10/- (Rupees Ten only) at a premium of Rs. 97/- (Rupees Ninety-Seven Only) each.
4. Noted that the Relevant date is 22nd February, 2023, being thirty days prior to the date on which EGM to be held.
5. Confirm that the entire pre-preferential shareholding of each of proposed allottee(s) is held in dematerialized form and the details of the allottee wise pre-preferential shareholding is given hereunder:

DP id & Client id	Name of the Proposed Allottee(s)	Category	Holding Pre-Preferential Issue	
			No. of shares	Percentage (%)
1301240001034330	Mr. Vipin Prakash Mangal	Promoter	42,30,600	17.27%
1301240001034778	Mr. Chanakya Prakash Mangal	Promoter	33,25,500	13.57%
1301240002487403	Mr. Chandragupt Prakash Mangal	Promoter	42,26,574	17.25%
1301240001035511	Mrs. Rashmi Mangal	Promoter Group	24,30,600	9.92%
IN30302831968737	Mrs. Honey Mangal	Promoter Group	1,00,000	0.41%
1202060001487339	Mrs. Shitalben Pravinkumar Patel	Public	9,600	0.04%

6. With respect to compliance with the minimum issue price for the equity shares to be issued on preferential basis and in accordance with sub-regulation (1) of Regulation 164 of the aforesaid SEBI Regulations, we have verified that the Articles of Association of the Company do not provide for a method of determination of floor price.
7. The Registered Valuer has indicated one of the basis of valuation in terms of Regulation 166A(1) of the SEBI (ICDR) Regulations, 2018, as under:





Sparsh Gupta & Co.

Company Secretaries

CS Sparsh M. Gupta

B.Com., LL.B., ACS

Sr. No.	Valuation Parameters	Value per Equity Share in Rs.
1	Price Earning Capacity Value Method	29.95
2	Net Asset Value Method	25.25
3	Market Value Method	106.94

Sr. No.	Method	Value per Equity Share (in Rs.) (A)	Weights (B)	Weighted (C=A*B)
1	Price Earning Capacity Value Method	29.95	1	29.95
2	Net Asset Value Method	25.25	2	50.50
3	Market Value Method	106.94	3	320.82
		Total	6	401.27
Floor Price (in Rs.) (Total of C/B)				66.88

8. The Registered Valuer has also indicated the basis of valuation in terms of Regulation 164(1) of the SEBI (ICDR) Regulations, 2018, as under:

Particulars		Value per Equity shares (in Rs.)
A	Average of 90 trading days Volume Weighted Average Price	106.95
B	Average of 10 trading days Volume Weighted Average Price	105.33
C	Applicable Minimum Price (Higher of A or B)	106.94

9. The Registered Valuer has adopted the valuation of equity shares based upon 90 trading days Volume Weightage Average Price in terms of Reg. 164(1) of the SEBI (ICDR) Regulations, being higher of the following:

- a. Price determined as per the provisions of the Regulation 164(1) of the SEBI (ICDR) Regulations (in case of frequently traded shares) which is Rs. 106.94 per equity share
- OR
- b. Price determined as per the provisions of the Regulation 166A(1) of the SEBI (ICDR) Regulations which is Rs. 66.88 per equity share

Accordingly, the floor price in terms of SEBI (ICDR) Regulations is Rs. 106.94 per equity share, which has been rounded off to Rs. 107/- per equity share. The issue price is Rs. 107/- per warrant, which is not lower than the floor price determined in compliance with applicable provisions of SEBI (ICDR) Regulations. A copy of valuation report issued by the registered valuer is attached as Annexure-I.





10. It is confirmed that the required disclosures as mentioned under Regulation 163(1) of Chapter V of SEBI (ICDR) Regulations have been duly complied with and mentioned in the Explanatory Statement to the Notice of the ensuing EGM.
11. On the basis of the documents produced before us and undertaking produced by the proposed allottees, we certify that the proposed allottees have not sold/transferred/pledged any equity shares of the Company during the period of 90 trading days prior to the relevant date i.e., 22nd February, 2023 and till the date of execution of this certificate.
12. Based upon the documents produced before us by the management, we confirm that the highest trading volume in respect of the equity shares of the Company during the preceding 90 trading days prior to the relevant date i.e., 22nd February, 2023, was traded on the National Stock Exchange of India Limited (NSE EMERGE Platform) being the sole stock exchange on which the equity shares of the company are listed.
13. As per the draft Notice convening EGM and undertaking obtained from the Company and proposed allottees, the pre-preferential shareholding of the proposed allottees will be locked-in in accordance with the Regulation 167(6) of the SEBI (ICDR) Regulations and no sale of pre-preferential shareholding will be effected by the allottees from the relevant date i.e., 22nd February, 2023, till lock-in period as prescribed.
14. Verified the Permanent Account Number (PAN) of the proposed allottees subscribing to the preferential issue from the copy of their PAN Cards.
15. It is confirmed that none of the proposed allottees belonging to Promoter(s) or the Promoter Group is ineligible for allotment in terms of Regulation 159 of SEBI (ICDR) Regulations, 2018.
16. We have enquired with the management of the Company and obtained representation to confirm that the Company has adhered to the conditions for Continuous Listing of the equity shares as specified in the Listing Agreement with the NSE.

Certification:

Based on our examination of such information/documents and explanation furnished to us by the management and employees of the Company and to the best of our knowledge and belief, we hereby certify that proposed preferential issue of warrants is being made in accordance with the requirements of Chapter V of the SEBI (ICDR) Regulations to the extent applicable and applicable provisions of the Companies Act, 2013 and rules framed thereunder.





Sparsh Gupta & Co.

Company Secretaries

CS Sparsh M. Gupta

B.Com., LL.B., ACS

Restriction of use:

This Certificate is issued solely for the information and use of the Board of Directors of the Company in connection with the proposed preferential issue of warrants and listing thereof and should not be used by any person or for any other purpose. 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 consent in writing.



For Sparsh Gupta & Co.,
Company Secretaries
UCN: S2016GJ437500

Sparsh M. Gupta
Proprietor
FCS: 11558 (COP: 17390)
PR: 1802/2022
UDIN: F011558D003208246

Date: 27th February, 2023

Place: Ahmedabad