

**COMPLIANCE CERTIFICATE**

**(Pursuant to Regulation 163(2), Part III of Chapter V of the SEBI (issue of Capital and Disclosure Requirements) Regulations 2018, as amended**

To  
The Board of Directors  
Texmaco Rail & Engineering Limited  
BELGHARIA  
KOLKATA - 700 056

We S R & Associates, Practising Company Secretaries have been appointed by Texmaco Rail & Engineering Limited (hereinafter referred to as "Company") having CIN L29261WB1998PLC087404 and having its Registered Office at Belgharia, Kolkata - 700056 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")**

In accordance with the Regulations, the Company has proposed issue of 77,72,020 convertible warrants, each carrying a right to subscribe to 1 Equity Share of the Company on a preferential basis with an issue price of Rs.193 each/- ("**Proposed preferential issue**"). The proposed preferential issue was approved at the Meeting of Board of Directors of the Company held on 27<sup>th</sup> February, 2024.

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

- i. I have verified that all the present equity shares are fully paid up.
- ii. On the basis of documents produced before us and undertaking produced by the proposed allottee(s), we certify that the none of the proposed allottee(s) has/ have sold any equity shares of the Company during the ninety (90) trading days preceding the relevant date.
- iii. On the basis of documents produced before us and undertaking produced by the proposed allottee(s), we certify that none of the proposed allottee(s) is not ineligible for allotment in terms of the Regulations.
- iv. The proposed issue is being made in accordance with the requirements of Chapter V of Regulations, Section 42 and 62 of the Act and Rule 13 and 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and other requirements of the Act. Further, the Company has complied with all legal and statutory formalities and no statutory authority has restrained the Company from issuing these proposed securities.



- v. The proposed preferential issue is being made in compliance with the provisions of Memorandum of Association (MoA) and Article of Association (AoA) of the Company. It is further confirmed that AoA of the Company does not provide the method of determination of price of the equity shares of the Company for preferential issue. Further, the proposed preferential issue is less than 5% of the post issue fully diluted share capital of the Company, the Valuation Report is not required to be obtained.
- vi. Memorandum of Association and Articles of Association of the Company.
- vii. I have verified the Permanent Account Number and other relevant details of the proposed allottee(s) subscribing to the preferential issue.
- viii. The total allotment to the allottee(s) in the present preferential issue or in the same financial year i.e. FY 2023-24 is less than 5% of the post issue fully diluted share capital of the Issuer.
- ix. 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.
- x. Resolutions passed at the meeting of the Board of Directors.
- xi. List of Proposed Allottees.
- xii. The relevant date for the purpose of said minimum issue price was 7<sup>th</sup> March, 2024.
- xiii. The statutory registers of the Company and List of shareholders issued by RTA:
  - To note that the equity shares are fully paid up.
  - All equity shares held by the proposed allottees in the Company are in dematerialised form.
- xiv. Disclosure under the **SEBI (Prohibition of Insider Trading) Regulations, 2015** & 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;
- xv. 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;
- xvi. Draft notice of Postal Ballot with explanatory Statement.
  - To verify 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 Regulations.
  - To verify the lock-in period as required under Regulation 167 of the Regulations
  - To verify the terms for payment of consideration and allotment as required under Regulation 169 of the Regulations.
- xvii. Computation of the minimum price of the shares and warrants to be allotted in preferential issue in accordance with the Regulations. The minimum issue price for the proposed preferential issue of the Company, based on the pricing formula prescribed under these Regulations has been worked out at Rs. 192.71 per Equity Share.





- xviii. Verified the relevant statutory records of the company to confirm that:
- 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.
  - 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 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 there under.

It is the responsibility of the Management to comply with the requirements of the 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 & minimum price of shares and making estimates that are reasonable in the circumstances.

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

- Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the Company.
- Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
- We are not expressing any opinion on the price computed / calculated and/or the price at which the shares are being issued by the Company.
- This certificate is solely for the intended purpose of compliance in terms of aforesaid 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 Regulations.

**Certification:**

Based on our examination of such information/documents and explanation furnished to us by the management of the company and to the best of my/our knowledge and belief, we hereby certify that proposed preferential issue is being made in accordance with the requirements of the Regulations to the extent applicable and applicable provisions of the Act and rules framed thereunder.

Date :08.03.2024  
Place Kolkata



For S R & Associates  
Company Secretaries

*Geeta Roy Chowdhury*

Name : GEETA ROY CHOWDHURY

Membership No. : F7040

Certificate of Practice No. : 7741

UDIN: FOO7040E003558005