



## **N Kothari & Associates**

*Company Secretaries*

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The Board of Directors

Kilburn Engineering Limited

4, Mangoe Lane Kolkata West

Bengal 700001 India.

Dear Sirs,

**Ref: Certification of compliance with the provisions of Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 and amendments thereto in relation to proposed preferential issue of equity shares and warrants.**

1. Kilburn Engineering Limited ("the Company") having its registered office at 4 , Mangoe Lane Kolkata- 700001, West Bengal have requested us to certify that the proposed preferential issue of equity shares and convertible warrants (collectively referred to as "Preferential Issue") are in compliance with the requirements of "Chapter V - Preferential Issue" of Securities and Exchange Board of India ("SEBI") (Issue of Capital and Disclosures Requirement) Regulations 2018 as amended from time to time ("the ICDR Regulations"). In accordance with Regulation 163(2) of the ICDR Regulations, the certificate is to be placed before the general meeting of the shareholders considering the proposed preferential issue.
2. The preparation of the Statement in accordance with chapter V of the ICDR Regulations is the responsibility of the Management of the Company including the preparation and maintenance of relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the statement and applying an appropriate basis of preparation and making judgement that are reasonable in the circumstances.
3. The compliance of the requirements of the ICDR Regulations in respect of Preferential Issue is the responsibility of the Management of the Company .
4. Pursuant to the requirements of the ICDR Regulations, our responsibility is limited to provide an assurance whether proposed Preferential Issue is being made in accordance with the requirements of the ICDR Regulations.
5. The following documents have been furnished by the Company in this regard:



- a) Certified true copy of the resolution passed by the Board of Directors at its meeting dated 19 January 2022 approving the following:
- i. Issuance and allotment of up to maximum of 44,11,764 equity shares (Forty-Four lacs Eleven Thousand Seven Hundred Sixty-Four only) equity shares of face value of Rs. 10 (Rupees Ten only) per share at a premium of up to Rs. 24/- (Rupees Twenty-Four only) per share on preferential basis aggregating to amount up to Rs. 15,00,00,000 (Rupees Fifteen Hundred Lacs only) to the proposed allottees, subject to the approval of the Members of the Company and requisite regulatory approvals; and
  - ii. Issuance and allotment of up to maximum of 44,11,764 (Forty-Four lacs Eleven Thousand Seven Hundred Sixty-Four only) convertible warrants of face value of Rs. 10 (Rupees Ten only) per share at a premium of up to Rs. 24/- (Rupees Twenty-Four only) per warrant on preferential basis aggregating to amount up to Rs. 15,00,00,000 (Rupees Fifteen Hundred Lacs only) to the proposed allottees, subject to the approval of the Members of the Company and requisite regulatory approvals;
- b) Certified true copy of the resolution passed by the Committee of Directors at its meeting dated 19 January 2022 approving the following:
- i. Issuance and allotment of 44,02,826 (Forty-Four Lacs two thousand eight hundred and twenty-six) equity shares of face value of Rs. 10 (Rupees Ten only) per share at a premium of up to Rs. 24/- (Rupees Twenty-Four only) per share on preferential basis aggregating to amount up to Rs. 14,96,96,084 (Rupees Fourteen Crore Ninety-Six Lacs Ninety-Six Thousand and eighty-four only) to the proposed allottees, subject to the approval of the Members of the Company and requisite regulatory approvals; and
  - ii. Issuance and allotment of up to maximum of 44,11,764 (Forty-Four lacs Eleven Thousand Seven Hundred Sixty-Four only) convertible warrants of face value of Rs. 10 (Rupees Ten only) per share at a premium of up to Rs. 24/- (Rupees Twenty-Four only) per warrant on preferential basis aggregating to amount up to Rs. 15,00,00,000 (Rupees Fifteen Hundred Lacs only) to the proposed allottees, subject to the approval of the Members of the Company and requisite regulatory approvals;
- c) Notice of Extra Ordinary General Meeting dated 19 January 2022 containing the proposed Special Resolution(s) and the corresponding Explanatory Statement under Section 102 of the Companies Act, 2013 seeking approval of the Members of the Company for the preferential issue of Equity shares at an issue price of Rs.34 per equity share including premium of Rs.24 per equity share and preferential issue of convertible warrants at an issue price of Rs.34 per warrant including premium of Rs.24 per warrant ("Issue Price");
- d) Valuation report from registered valuer with respect to proposed preferential issue of equity shares and convertible warrants;
- e) The "Relevant Date" as per ICDR Regulations for the purpose of determining the minimum



issue price for the Preferential issue is 14 January 2022. The Relevant Date shall be 30 days prior to the deemed date of passing of the Special Resolution(s) i.e., 15 February 2022, which is the date of passing the Resolution in accordance Regulation 161 of the ICDR Regulations read with Section 62 of the Companies Act and the applicable Rules make thereunder;

- f) Confirmation of payment of Annual listing fees for the financial year 2021-22 in respect of equity shares of the Company listed on BSE Limited;
  - g) Copy of RTA certificate that proposed allottees have not bought or sold any equity shares of the Company during 90 days preceding the relevant date and the Company is in compliance with the conditions of continuous listing of Equity Shares;
  - h) Copy of trading approval by BSE vide 20210419-33 w.r.t., lock-in of shares held by the Promoter;
  - i) PAN of the Proposed Allottees as obtained by the Company; and
  - j) Representation from the Management for Compliance with the ICDR Regulations and relevant provisions of the Companies Act 2013.
6. We have examined the compliance with the requirement of Chapter V of the Regulations relating to the Proposed Preferential Issue of Equity Shares and Convertible Warrants in the following manner:
- a) The Company has informed that the relevant date for the proposed Preferential Issue is 14 January 2022 in accordance with Regulation 161 of the Regulations.
  - b) In accordance with Regulation 166A of the Regulation, the Company has obtained a Valuation Report from the Independent Registered Valuer, CA Santanu Brahma (Registration No. IBBI/RV/06/2019/11686) to determine the issue price under the Regulation 164(1) of the Regulation. Based on the Valuation Report, the price per Equity Share is Rs. 32 (including a premium of Rs. 22 per share) which is not less than the higher of the Volume Weighted Average Price (VWAP) for 90 trading days and VWAP for 10 trading days quoted on BSE Limited, being the exchange with the highest traded volume, preceding the relevant date i.e. 14<sup>th</sup> January, 2022, calculated in accordance with Regulation 164(1) of the Regulations, as given below:

Volume Weighted Average Price (VWAP) for 90 trading days preceding the relevant date (i.e. from 06.09.2021 to 13.01.2022)	Rs. 29.23
Volume Weighted Average Price (VWAP) for 10 trading days preceding the relevant date (i.e. from 31.12.2021 to 13.01.2022)	Rs. 31.37

Accordingly, the Board of Directors have decided to issue and allot the Equity Shares and Convertible Warrants at a price upto Rs. 34 per Equity Share.



- c) Based on the Certificate received from M/s Maheshwari Datamatics Pvt Ltd, Registrar and Share Transfer Agent of the Company and the information and representation provided to us, we confirm following:
- the Company 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 SEBI (Listing Obligations and Disclosure Requirements), 2015, as amended, and any circular or notification issued by the Board thereunder;
  - there is pre-preferential allotment holding of Equity Shares of Firstview Trading Private Limited and Khivraj Motors Limited, which is held by them in dematerialized form and shall be locked in for a minimum period of 90 trading days from the relevant date. *Further it has been brought to the notice by RTA that Khivraj Motors Pvt Ltd, one of the proposed allottee (PAN AAACK2572Q) is holding 10,000 equity shares of the Company in the demat account in the name and style of Khivraj Motors Ltd and;*
  - the proposed allottees have not traded in the Equity Shares of the Company during the 90 trading days preceding the relevant date.
- d) In accordance with Regulation 159 of the Regulations on account of failure to exercise any previously subscribed warrants of the Company, none of the proposed allottees are ineligible for subscription of the specified securities of the Company on preferential issue.
- e) The Company has provided all the requisite disclosures in the explanatory statement to the notice for the general meeting proposed for passing special resolution in accordance with Regulation 163(1) of the Regulations.
- f) The Company has obtained the Permanent Account Number (PAN) from all the proposed allottees.
- g) The maximum tenure of convertible warrants, as per the explanatory statement to the notice for the general meeting as provided by the management, is in accordance with the requirement of Regulation 162 of the Regulations.
- h) The Company has complied with the applicable statutory provisions represented to us that it will further comply with applicable legal and statutory requirements and no statutory authority has restrained the Company from issuing these aforesaid Equity Shares and Convertible Warrants to the Proposed Allottees.
7. Based on the procedure performed by us as stated above, and according to the information, explanations & written representation provided to us, nothing has come to our attention that causes us to believe that the proposed preferential issue is not being made in accordance with the requirements of Chapter V of the ICDR Regulations.
8. This certificate is issued solely for the purpose of circulating to the Members of the Company and submission to Stock Exchange for obtaining in-principle approval and listing approval for listing of



proposed equity shares and Convertible warrants of the Company. 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 of our firm shall not be liable to the Company, the BSE Limited or to any other concerned for any claims, liabilities or expenses relating to this assignment, except to the extent of fees relating to this assignment. We have no responsibility to update this certificate for any events or circumstances occurring after the date of this Certificate.

**For N Kothari & Associates  
Company Secretaries**



**Nikita Kothari  
Membership No. 10365  
C.P. No.: 13507**

**Date: 24 January 2022  
Place: Mumbai  
UDIN: F010365C002262945**

