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To,  
The Board of Directors  
**Fredun Pharmaceuticals Limited**  
26, Manoj Industrial Premises,  
G Ambekar, Wadala,  
Mumbai - 400 031

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

**Ref: Preferential Issue of 62,996 Equity Shares to Non-Promoters and 2,59,892 Convertible Warrants to Promoters and Non-Promoters of Fredun Pharmaceuticals Limited**

We, Kala Agarwal, Practicing Company Secretary, in accordance with the terms of the letter of engagement dated August 27, 2022 have been appointed by Fredun Pharmaceuticals 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 62,996 Equity Shares of Rs. 10 each fully paid-up and 2,59,892 Convertible Warrants on a preferential basis with an Issue Price of Rs.996.20/- (Rupees Nine Hundred Ninety-Six and Paise Twenty Only) each (“**Preferential Issue**”). The Preferential Issue is approved at the Meeting of Board of Directors of the Company held on August 27, 2022.

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 August 27, 2022 and verified that the Company has determined the 'Relevant Date' as defined in the Regulation 161 of SEBI ICDR Regulations as August 24, 2022 in respect of the proposed Preferential Issue;
- iv. Copy of the notice to shareholders for extra-ordinary general meeting to be held on September 23, 2022 for the proposed preferential issue approved by Board of Directors in their meeting held on August 27, 2022;
- v. The statutory registers of the Company and 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 and a confirmation from the Company that in cases where the pre-preferential shareholding of the allottee(s) is in physical form, allotment to such allottee(s) shall be made only if such pre-preferential shareholding is dematerialized before the allotment.
- vi. 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;
- vii. 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. August 24, 2022;
- viii. 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. August 24, 2022;
- ix. Verified Permanent Account Number (PAN) of the proposed allottees using available online portal;
- x. 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;
- xi. Verified the pre-issue lock-in period as required under Regulation 167 of the SEBI ICDR Regulations;
- xii. Verified the terms for payment of consideration and allotment as required under Regulation 169 of the SEBI ICDR Regulations;



- xiii. Obtained the Statement of Computation of Minimum Price for the Preferential Issue calculated based on the pricing formula prescribed under Regulation 164(1) 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.996.20;
- xiv. Downloaded the data of the volume weighted average price of the Equity Shares of the Company from the official website of BSE Limited and verified the computation for 90 and 10 trading days of the volume weighted average price;
- xv. Reviewed the computation of the minimum issue price determined by the PCS based on higher of (a) or (b) below, provided as under:
  - (a) the 90 trading days volume weighted average price of the related Equity Shares quoted on the recognised stock exchange preceding the Relevant Date; or
  - (b) the 10 trading days volume weighted average prices of the related Equity Shares quoted on a recognised stock exchange preceding the Relevant Date.
- xvi. 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 which 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 exchange where the Equity Shares of the are listed and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- xvii. 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 INR 996.18/- per Equity Share as per trading on BSE and is computed in accordance with Regulation 164(1) of the SEBI ICDR Regulations but the issue price is fixed at INR 996.20/- 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.



### **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 BSE 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.

*Kala*

**KALA AGARWAL**  
Practicing Company Secretary  
C.P. No. 5356  
UDIN: F005976D000933232

**Place:** Mumbai  
**Date:** 07<sup>th</sup> September, 2022

