



To,
The Board of Directors,
Ganga Forging Limited
SR. NO. 55/1 P6/P1/P1,
Near Shree Stamping
AT: Road Sadak Pipaliya
TAL: Gondal, Rajkot - 360311, Gujarat

Practising Company Secretaries Certificate

[Issued in terms of Regulation 163(2) under Chapter V of the Securities and Exchange of Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ('the SEBI ICDR')]

Dear Sir,

I, CS Purvi Dave, Partner of **MJP Associates**, Practising Company Secretaries, Rajkot have been appointed by letter dated 6th June, 2023 by the Board of Director of Ganga Forging Limited (herein after referred to as the '**Company**') having CIN: L28910GJ1988PLC011694 and having registered office at SR. NO. 55/1 P6/P1/P1, Near Shree Stamping, AT: Road Sadak Pipaliya, TAL: Gondal, Rajkot - 360311, Gujarat 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, (herein after referred to as "Regulations").

1. In connection with the proposed issue of 5,00,00,000 (Five Crores) Fully Convertible Warrants ("Warrants"), each warrant convertible into equivalent number of fully paid-up equity share of the Company of face value of Re. 1/- (Rupee One Only) each, at an option of Proposed allottees, within a maximum period of 18 months from the date of allotment of warrants at a price of Rs. 5.20/- (Five Rupees and Twenty Paise Only) each (Warrant Issue Price) payable in cash, aggregating upto Rs. 26,00,00,000/- (Rupees Twenty-Six Crore only), and of which (i) an amount equivalent to atleast 25% of the warrant issue shall be payable at the time of allotment and (ii) balance 75% per warrant payable at the time of exercise of warrant into equity shares ('**Proposed Preferential Issue**'). The Proposed preferential issue was approved at the Meeting of Board of Directors of the Company held on 6th June, 2023.

Management's Responsibility :

2. The Compliance with chapter V of the ICDR Regulation for the proposed Preferential issue of Warrants is the responsibility of the Management of the Company. Management is also responsible for preparation and maintenance of all accounting and other relevant support records and documents. This responsibility includes the design, implementation and maintenance of Internal controls relevant to the preparation/presentation of the notice and applying an

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appropriate basis of preparation; and making estimates that are reasonable in the Circumstances.

3. The management is also responsible for providing all relevant information to the SEBI, and /or National Stock Exchange Limited.
4. The Management is also responsible for ensuring that the company complies with the below requirements of the ICDR Regulations :
 - i. Determine the relevant date, being the date thirty days prior to the date on which the meeting of shareholders is held to consider the Proposed Preferential Issue:
 - ii. Determine the minimum price to the Warrant in accordance with regulation 164 of ICDR Regulations.
 - iii. Compliance with the all-other requirements of the ICDR Regulations.

Certifier's Responsibility

5. Pursuant to the requirements of the Sub-para 2 of Regulation 163 of Part-II of the Chapter V of the ICDR Regulations, it is our responsibility to obtain Limited assurance and conclude as to whether the details of the Proposed issue of Warrants on Preferential basis is in accordance with the requirements of the ICDR Regulations as applicable to the preferential issue.
6. We conducted relevant examination/verification of statements/records in accordance with the applicable guidance (s) issued by the Institute of Company Secretaries of India (the "ICSI"). The guidance (s) require that we comply with the ethical requirements of the Code of Conduct issued by ICSI.
7. A limited assurance engagement includes performing procedures to obtain sufficient appropriate evidence that vary in nature, timing and extent than a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement, we have performed the following procedures in relation to the engagement :
 - a) With respect to conditions specified in Regulation 159 & 160 of the ICDR Regulations, we have performed the following procedures to confirm the compliance with required conditions :





- i. Noted the relevant date i.e Wednesday 7th June, 2023 being the date thirty Days prior to the date of the Extra Ordinary General Meeting ('EGM') of the Shareholders of the Company schedules to be held on Friday 7th July, 2023;
 - ii. Verified that the Company has obtained the requisite undertaking from the proposed allottees to ensure that they have not sold or transferred any equity shares of the Company from the relevant date up to a period of 90 trading days from the date of allotment of such warrants ; and
 - iii. Verified from the undertaking and DP statement obtained by the Company from proposed Allottees, the 'pre-preferential holding' of equity shares of the Company held by the Proposed Allottees is NIL.
 - iv. Verified that the Company has obtained Permanent Account Number (PAN) of the Proposed Allottees; and
- b) Read the notice of the EGM and verified that special resolution for proposed **issue fully convertible warrants on a Preferential basis** of the Company is included in the same and requisite disclosures in the Notice have been made in accordance with Regulation 163 (1) of the SEBI (ICDR) Regulations and other applicable laws and Regulations;
- c) With respect to compliance with minimum price for proposed Preferential Issue which is in accordance with applicable provisions of the SEBI (ICDR) Regulations, Company has proposed preferential issue to certain allottees, which may result in allotment of more than five (5) percent of the post issue fully diluted share capital of the Issuer to allottees, therefore as per Regulation 166A (1) the Floor Price for the proposed Preferential Issue of the Issuer is fixed at Rs. 5.20/- (Five Rupees and Twenty Paise Only) per share, which is higher of the floor price determined under regulation 164(1) of SEBI (ICDR) Regulations, 2018 and Regulation 166A (1) is verified by the Registered Valuer in his Valuation report.
- d) Read the certified copy of the resolution passed at the Board meeting held on 6th June, 2023 produced before us by the Management containing the list of the proposed Allottees;





- e) Conducted relevant management inquiries and obtained necessary representations.

Conclusion

8. Based on our examination as above, and the information and explanations given to us noting has come to our attention that causes us to believe that the dates of the Proposed issue fully convertible warrants on a Preferential basis are not in accordance with the requirements of the ICDR Regulations as applicable to the preferential issue, except that

- a) the proposed issue of fully convertible warrants on the Preferential basis is subject to approval of alteration in the Memorandum of Association and Article of Association of the Company, as on date the Company doesn't have authority to issue and allot FCW on preferential basis.
- b) the special resolutions required to accommodate such proposed issues of fully convertible Warrants on preferential basis are yet to be passed by the shareholders as required under the applicable provisions of the Companies Act., 2013 read with the rules made thereunder; and
- c) the special resolutions required for approval of shareholders for proposed Preferential issue are yet to be passed as required by the ICDR Regulations.

9. Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the Company.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. 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.
4. This certificate is solely for the intended purpose of compliance in terms of aforesaid ICDR Regulations and this certificate is addressed to and provided to the Board of Directors of the Company solely with the purpose of placing before Shareholders' of the Company (on the website of the Company) so as to provide the requisite information on proposed Preferential issue 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.

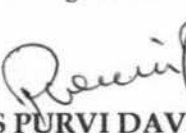





Certification :

Based on our examination of such information/documents and explanation furnished to me by the Management and employees of the Company and representation provided by the Company, the proposed preferential issue of Fully Convertible Warrants on preferential basis being made in accordance with the requirements of Chapter V of the SEBI ICDR Regulations;

For, **MJP Associates,**
Practicing Company Secretaries
Firm Reg. No. P2001GJ007900


(CS PURVI DAVE)
ACS: 27373 CP: 10462
PR : 1780/2022
UDIN : A027373E000484931



Dated this 14th June, 2023
Place: Rajkot, Gujarat