



Poonam Binani
Company Secretary

19, Maharshi Debendra Road
Kolkata - 700 007
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E-mail : poonamundhra@gmail.com

Certificate on the compliance with the conditions of Chapter V of the Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 by Karnika Industries Limited.

To
The Board of Directors,
Karnika Industries Limited
(CIN: L17299WB2022PLC253035)
6&6/1, Gurgola Ghat Road
Howrah - 711106

Respected Sir(s)/Madam(s),

1. This certificate is issued in accordance with the terms of our engagement with Karnika Industries Limited (hereinafter 'the Company').
2. In connection with the proposed issuance of 39,66,860 (Thirty Nine Lakhs Sixty Six Thousand Eight Hundred and Sixty only) Convertible Warrants, each Warrant convertible into or exchangeable for 1 (one) fully paid up equity shares of the Company, by way of preferential issue basis (hereinafter 'proposed preferential issue'), the Company is required to obtain a certificate from Practicing Company Secretary, with regard to compliance with the conditions of the proposed preferential issue, as per the requirements of sub-regulation (2) of Regulation 163 of Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**ICDR Regulations**")

Management Responsibility:

The Management of the Company is responsible for ensuring the compliance of the requirements of the ICDR Regulations detailed as under:

- i) Determination of the relevant date, being the date thirty days prior to the date on which the meeting of shareholders is proposed to consider the proposed preferential issue;
- ii) Determination of the minimum price of Equity Share in terms of Regulation 164 of the ICDR Regulations;
- iii) Compliance with the conditions/ requirements of the ICDR Regulations and Companies Act, 2013 and any other applicable law, if any.





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Certifier's Responsibility:

For the purpose of confirming that the proposed preferential issue is in compliance of the applicable provisions of the ICDR Regulations, we have examined the following limited documents as provided by the Company and available on the date of this certificate:

- i) Certified copy of Board Resolution dated April 11, 2026 approving Preferential Issue of upto 39,66,860 Convertible Warrants having a face value of Rs. 10/- each of the Company at a price of Rs. 121/- (including a premium of Rs. 111/-) per equity share payable in cash, aggregating upto Rs. 47,99,90,060/- to the Proposed Allottee.
- ii) We conducted our examination of the statement/records in accordance with the applicable guidance's issued by the Institute of Company Secretaries of India (the "ICSI"). The guidance's requires that we comply with the ethical requirements of the Code of Conduct issued by ICSI.
- iii) Confirmation from the Company that:
 - a. The Board of Directors of the Company have decided April 10, 2026 (since the date thirty days prior to meeting of shareholder date falls on April 11, 2026, being weekend, so relevant date is being taken as the day preceding the weekend) as the "Relevant Date" being the date thirty days prior to the date on which the meeting of shareholders is expected to be held i.e. May 11, 2026, to consider and approve the Preferential Issue;
 - b. The Company has determined the minimum price of equity shares in terms of Regulation 164 of the ICDR Regulations;
 - c. The Company has verified that all the present equity shares are fully paid up.
 - d. The Board of Directors of the Company in its meeting held on April 11, 2026, has approved the Notice convening the Extra-Ordinary General Meeting of the Company for the issuance of Convertible Warrants on Preferential Basis on May 11, 2026;
 - e. The proposed Preferential Issue is being made to person under "Promoter/ Promoter Group and Non Promoter " category;
 - f. The Company has obtained Permanent Account Number of proposed Allottee.





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- g. None of the Proposed Allottee are ineligible for allotment in terms of Regulation 159 of the ICDR Regulations;
- h. On the basis of documents produced before me and the Certificate provided by Skyline Financial Services Private Limited, Registrar and Share Transfer Agent of the Company, I, hereby certify that the proposed Allottees have not sold/transferred any Equity Shares of the Company during the period of 90 trading days prior to the Relevant Date i.e. Friday, April 10, 2026, and till the date of execution of this certificate.
- i. 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 the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015, as amended, and any circular or notification issued by the Securities and Exchange Board of India thereunder;
- j. The Company will file an application seeking in-principle approval for the proposed Preferential Issue on the same day when the notice is being sent in respect of the Extra-ordinary General Meeting seeking shareholders' approval for the proposed Preferential Issue;
- k. The Company has no outstanding dues to the Securities and Exchange Board of India, Stock Exchanges where the securities of the Company are listed (i.e. NSE Ltd.) and the Depositories (i.e NSDL/ CDSL).

Certification:

Based on our examination as above, and the information and explanations given to us, nothing has come to our attention that causes us to believe that the details of the proposed issue provided is not in accordance with the requirements of the SEBI (ICDR) Regulations as applicable to the preferential issue. The company is in the process of passing the required special resolution seeking the approval of the shareholders for the proposed preferential issue as required by the SEBI (ICDR) Regulations.

I further confirm that;

- a) The entire pre-preferential holding of the allottee(s) as detailed below is in dematerialized form.





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| Sr. No. | Name of Proposed Allottees | Number of securities held |
|---------|----------------------------|---------------------------|
| 1. | Niranjan Mundhra | 15165000 |
| 2. | Shiv Shankar Mundhra | 15165000 |
| 3. | Mahesh Kumar Mundhra | 15165000 |
| 4. | Jagdish Prasad Mundhra | 1300 |
| 5. | Saroj Devi Mundhra | 1300 |
| 6. | Poonam Mundhra | 1300 |
| 7. | Priyanka Mundhra | 1300 |
| 8. | Kirti Mundhra | 1300 |
| 9. | Krishan Kumar Karnani | 0 |
| 10. | Jagdish Prasad Mundhra HUF | 0 |
| 11. | Niranjan Mundhra HUF | 0 |
| 12. | Shiv Shankar Mundhra HUF | 0 |
| 13. | Mahesh Kumar Mundhra HUF | 0 |
| 14. | Bhagwan Nath Sidh | 16000 |

- b) The Pricing Methodology adopted for the proposed Preferential issue is derived from the Valuation report dated **10TH April, 2026 read with Addendum dated 24th April, 2026** from an Independent Registered Valuer, **Mr. Manish Gadia** (Registration No.: IBBI/RV/06/2019/11646), having office at 5, Raja Subodh Mullick Square, 2nd Floor, Kolkata – 700013, as attached herewith.
- c) The highest trading volume in respect of the equity shares of the issuer has been recorded at NSE (SME-Emerge) at www.nseindia.com during the preceding 90 trading days prior to the relevant date.

Assumption & Limitation of Scope and Review:

- i) Ensuring the authenticity of documents and information furnished is the responsibility of the Board of Directors of the Company.
- ii) Our responsibility is to give certificate based upon our examination of relevant documents and information. It is neither an audit nor an investigation.
- iii) This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.





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- iv) Our scope of work did not include verification of compliance with other requirements of the ICDR Regulations, Companies Act, 2013, Rules and Regulations framed thereunder, other circulars, notifications, etc., as issued by relevant regulatory authorities from time to time, and any other laws and regulations applicable to the Company.
- v) This certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of further submission in the Extra-ordinary general Meeting of the shareholders considering the proposed preferential issue and should not be used by any other person or for any other purpose.

Poonam Binani

Place: Kolkata
Date : 27th April, 2026



Poonam Binani
Company Secretary
Membership No. A33638
C.P. No. 12552
UDIN - A033638H000214357
Peer Review no. 2345/2022