



COMPLIANCE CERTIFICATE

(Pursuant to Regulation 163(2), PART III of Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018 including any amendment/modification thereof)

To
Royale Manor Hotels and Industries Limited
International Airport Circle Ahmedabad-382475

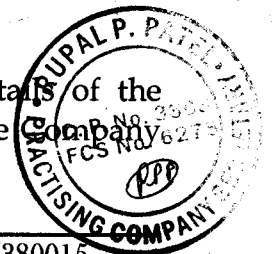
SUB: Compliance Certificate Pursuant to Regulation 163(2), PART III of Chapter V of the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018 for preferential issue of 10,00,000 convertible warrants to the Promoter for cash consideration.

We, CS Rupal Patel, Practicing Company Secretary, have been appointed vide Letter dated 08th August, 2022 by Royale Manor Hotels and Industries Limited (hereinafter referred to as 'Company'), having CIN L55100GJ1991PLC015839, 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 10,00,000 Convertible Warrant on a preferential basis with an issue price of Rs. 15.74/- (Rupees fifteen and seventy four Paise only) each ("Proposed Preferential Issue") as derived from the Valuation Report obtained from Mrs. Sejal Agarwal, AAA Valuation Professionals LLP, a Registered Valuer (Reg. No. IBBI/RV60/2020/13106). The proposed preferential offer is for cash consideration. The Proposed Preferential Issue was approved at the meeting of Board of Directors of the Company held on 18th August, 2022.

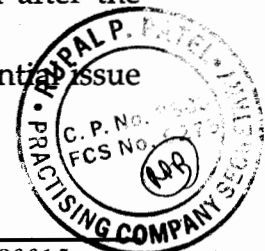
On the basis of the relevant management inquiries, necessary representations and information received from/furnished by the management of the Company ("Management"), as required under the aforesaid Regulations, we have verified that the issue is being made in accordance with the requirements of these Regulations as applicable to the preferential issue. More specifically, we have performed the following procedures to confirm the compliance with required conditions:

1. Reviewed the Memorandum of Association and Articles of Association of the Company;
2. Reviewed the present capital structure including the details of the authorised, subscribed, issued, paid up share capital of the Company along with the shareholding pattern;



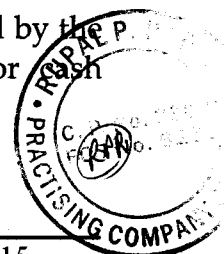


3. Reviewed the resolutions passed at the meeting of the Board of Directors;
4. Reviewed the proposed allottee;
5. Noted that the relevant date in accordance with Regulation 161 of the Regulations for the purpose of minimum issue price is 30th August, 2022;
6. Reviewed the statutory registers of the 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 allottee in the Company, are in dematerialized form.
7. Reviewed the disclosures under the SEBI (Prohibition of Insider Trading) Regulations, 2015 & the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, if any, made by proposed allottee during the 90 trading days preceding the relevant date;
8. Reviewed the 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:-
9. Verified that the Company has obtained the Permanent Account Numbers of the Proposed Allottee.
10. Reviewed the notice of Annual General Meeting for seeking approval of shareholders, with explanatory statement and (if any):
 - a. Verify the following 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.
 - the objects of the proposed preferential issue;
 - the maximum number of equity shares to be issued;
 - the intent of the promoters, directors or key managerial personnel of the issuer to subscribe to the offer;
 - the shareholding pattern of the issuer before and after the proposed preferential issue;
 - the time frame within which the proposed preferential issue shall be completed;





- identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control the proposed allottees;
 - the percentage of post preferential issue capital that would be held by the allottee(s) and change in control or allotment of more than five percent to an allottee or to allottees acting in concert if any, in the issuer consequent to the preferential issue;
 - Disclosures specified in Schedule VI of the Regulations, if the issuer or any of its promoters or directors is a wilful defaulter or a fraudulent borrower.
 - the current and proposed status of the allottee(s) post the preferential issues namely, non-promoter.
- b. to verify the tenure of the convertible securities of the Company that it shall not exceed eighteen months from the date of their allotment.
- c. to verify the lock-in period as required under regulation 167 of the regulations is mentioned in the Explanatory Statement annexed to the postal ballot notice.
- d. to verify the terms for payment of consideration and allotment as required under regulation 169 of the regulations.
11. Computation of the minimum price of the shares 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. 15.74 per equity share.
12. With respect to compliance with minimum price for proposed preferential issue in accordance with Regulation 165 and 166A of the SEBI ICDR Regulations, 2018.
13. Board's resolution and statutory registers to verify that promoter(s) or the promoter group has not failed to exercise any warrants of the Company which were previously subscribed by them;
14. Valuation report of Independent Registered Valuer for pricing of infrequently traded shares;
15. Verified that the valuation report of the security has been issued by the Independent Registered Valuer for issuance of securities for cash consideration;





16. The Proposed Allotment to the allottee is more than five percent of the post issue fully diluted share capital of the issuer, however no change in control is proposed pursuant to present preferential issue.
17. Verified the relevant statutory records of the company to confirm that:
 - a. 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.
 - b. 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 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 Board thereunder;

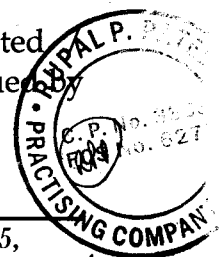
It is the responsibility of the Management to comply with the requirements of the Regulations, including the preparation and maintenance of all accounting and other relevant supporting records, designing, implementing and maintaining internal control relevant to preparation of draft of Notice of Annual General Meeting and explanatory statement, determination of relevant date & minimum price of shares and making estimates that are reasonable in the circumstances.

Conclusion:-

Based on the procedures performed as mentioned above and information, explanations and representation provided by the Company, nothing has come to our attention that causes us to believe that the proposed preferential issue of convertible warrant being made would not be in accordance with Chapter V of the Regulations.

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.
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 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.

Certificate: -

Based on our examination of such information/documents and explanation furnished to us by the management and employees of the Company and to the best of our knowledge and belief, we hereby certify that proposed preferential issue is being made in accordance with the requirements of the Regulations as applicable to the preferential issue.


CS Rupal Patel
Practising Company Secretary
C.P. No. 3803
M. No. 6275
UDIN: F006275D000880038

Place: Ahmedabad
Date: 30.08.2022