

NOTICE OF NATIONAL COMPANY LAW TRIBUNAL CONVENED MEETING OF THE EQUITY SHAREHOLDERS OF SUCHALIS CONFECTIONERY PRIVATE LIMITED

Day	Saturday
Date	July 22, 2023
Time	3:30 p.m.
Mode of Meeting	through Video Conferencing (VC) with facility of remote e-voting

REMOTE E-VOTING PERIOD

Commencing on	Wednesday, July 19, 2023, at 09:00 a.m.
Ending on	Friday, July 21, 2023, at 05:00 p.m.

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FORM NO. CAA. 2

(Pursuant to Section 230 (3) of the Companies Act, 2013 and rules 6 and 7 the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016)

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
CHANDIGARH BENCH, AT CHANDIGARH**

CA (CAA) NO. 10/Chd/Hry/2023 (1st Motion)

In The Matter of the Companies Act, 2013

And

In the matter of Sections 230 And 232 of The Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

And

In the matter of Scheme of Amalgamation of

SUCHALIS CONFECTIONERY PRIVATE LIMITED

A private limited company incorporated under the provisions of the Companies Act, 2013 having its registered office at Plot No-321, Udyog Vihar Phase-2, Sector-20, Gurgaon – 122016, India, through its authorized representative, Ms. Suchali Jain, mobile no.: 9899743092, e-mail address: suchali@suchalisartisanbakehouse.com; Corporate Identity Number U15490HR2018PTC076091

**...Transferor Company/
Applicant No. 1**

AND

MUHAVRA ENTERPRISES PRIVATE LIMITED

A private limited company incorporated under the provisions of the Companies Act, 1956 having its registered office at D-173, Sushant Lok I, Gurgaon – 122002, India, through its authorized representative, Mr. Matthew Joseph Chitharanjan, mobile no.: 9650800776, e-mail address: matt@bluetokaicoffee.com; Corporate Identity Number U15492HR2012PTC047234

**...Transferee Company/
Applicant No. 2**

**NOTICE CONVENING MEETING OF THE EQUITY SHAREHOLDERS OF
SUCHALIS CONFECTIONERY PRIVATE LIMITED**

NOTICE is hereby given that by an order dated May 30, 2023 (**Order**) in the captioned Company Application, the Hon'ble Chandigarh Bench of the Hon'ble National Company Law Tribunal (**Hon'ble Tribunal/NCLT**) has directed a meeting to be held of the equity shareholders (**Shareholders**) of Suchalis Confectionery Private Limited (**Transferor Company**) for the purpose of considering, and if thought fit, approving with or without modification(s), the proposed scheme of amalgamation (**Scheme**) between the Transferor Company and Muhavra Enterprises Private Limited (**Transferee Company**) their respective shareholders and creditors.

In pursuance of the Order and as directed therein further notice is hereby given that a meeting of the Shareholders of the Transferor Company will be held through video conferencing (**VC**) on Saturday, the 22nd day of July, 2023 at 3:30 PM (**Meeting**) at which time the Shareholders are requested to attend and to consider, and if thought fit, to approve with or without modification, the following resolution under section 230-232 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) approving the Scheme:

***“RESOLVED THAT** pursuant to the provisions of Sections 230 to 232 of the Companies Act, 2013(hereinafter referred to as the “Act”) and the Companies (Compromises, Arrangements and Amalgamations) Rules 2016, and other applicable provisions, if any, of the said Act and the rules, regulations, circulars and notifications issued thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) as may be applicable, relevant provisions of the Income Tax Act, 1961, and other applicable provisions, if any, of the said Act and the rules, regulations, circulars and notifications issued thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) as may be applicable, and subject to the provisions of the Memorandum of Association and the Articles of Association of Suchalis Confectionery Private Limited (“**Transferor Company**”) and subject to the approval of the Hon'ble National Company Law Tribunal, Chandigarh Bench (“**Hon'ble Tribunal**”) and subject to such other approvals, permissions and sanctions of any regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the Hon'ble Tribunal or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Transferor Company (hereinafter referred to as the “**Board**”, which term shall be deemed to include committee(s) of the Board, constituted or being constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this resolution), the Scheme of Amalgamation between the Transferor Company and Muhavra Enterprises Private Limited (“**Transferee Company**”) and their respective shareholders and creditors, a copy of which is enclosed with this Notice and placed before this meeting and initialled by the Chairperson of the meeting for the purpose of identification, be and is hereby approved.*

***RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable,*

appropriate or necessary to give effect to this resolution and effectively implement the amalgamation embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the Hon'ble Tribunal while sanctioning the Scheme or by any authorities under law, as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper."

TAKE FURTHER NOTICE that the Shareholders shall have the facility and option of voting on the resolution of the Scheme by casting their votes (a) through e-voting system available at the Meeting to be held virtually on Saturday, 22nd day of July 2023 at 3:30 p.m. (IST) or (b) by remote electronic voting (**remote e-Voting**) during the period as stated below:

REMOTE E-VOTING PERIOD	
Commencement of Voting	Wednesday, July 19, 2023, at 09:00 a.m.
End of Voting	Friday, July 21, 2023, at 05:00 p.m.

The remote e-voting module shall be disabled after the aforementioned time period for voting, and the Shareholders will not be allowed to vote beyond the said date and time. The facility for the e-voting will also be made available at the Meeting and those Shareholders who have not already casted their vote by remote e-voting shall be eligible to vote through e-voting system during the Meeting. Shareholders who have already voted through remote e-voting prior to the Meeting date would not be entitled to cast their vote again.

In compliance with the applicable provisions of the Act and the circulars issued by the Ministry of Corporate Affairs, the Hon'ble Tribunal convened Meeting of the Shareholders of the Transferor Company is being held through VC without the physical presence of the Shareholders at the common venue.

It may further be noted that only those Shareholders, which exist in the records of the Transferor Company as on the date of the Order, i.e., May 30, 2023 (**Reference Date**), are being sent the Notice to exercise the voting rights on the resolution proposed in the Notice.

The Hon'ble Tribunal has appointed Mr. Raghu Nayyar, Former Member (Technical) NCLT, as the Chairperson and failing him, Ms. Ekakshra Mandhar, Advocate, as the Alternate Chairperson of the Meeting. The Hon'ble Tribunal has also appointed Mr. Salil Yadav, Chartered Accountant, as the Scrutinizer for the Meeting and to scrutinize the e-Voting process, including for any adjournments thereof.

The Transferor Company has appointed National Securities Depository Limited (**NSDL**), to provide VC facility for the Meeting and the attendant enablers for the conduct of the Meeting.

The above-mentioned Scheme, if approved by the Meeting, will be subject to the subsequent approval of the Hon'ble Tribunal and such other approvals, permissions and sanctions of regulatory or other authorities, as may be necessary.

For Suchalis Confectionery Private Limited

SUCHALI Digitally signed by
SUCHALI JAIN
JAIN Date: 2023.06.17
11:49:53 +05'30'

Suchali Jain

Director

(Authorized Signatory)

Date: June 17, 2023

Place: Gurgaon

Registered Office: Plot No-321,

Udyog Vihar Phase-2,

Sector-20, Gurgaon – 122016,

Website: <https://suchalisartisanbakehouse.com/>

E-mail: suchali@suchalisartisanbakehouse.com

Telephone: 9899743092

CIN: U15490HR2018PTC076091

NOTES:

1. Pursuant to the directions of the Hon'ble Tribunal vide the Order, the Meeting of the Shareholders of the Transferor Company is being conducted through VC facility to transact the business set out in the Notice convening the Meeting.
2. The Explanatory Statement in respect of the business set out in the Notice of the Meeting is annexed hereto.
3. In terms of the directions contained in the Order, the Notice convening the Meeting is being published by the Transferor Company through advertisement in the Financial Express (English Daily) and Jansatta (Hindi Daily), both in Delhi NCR edition.
4. Since the Meeting is scheduled to be convened through VC with facility of remote e-voting, in pursuance to NCLT Order, therefore, physical attendance of Shareholders has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by members under Section 105 of the Companies Act, 2013 will not be available for the Meeting and hence, the proxy form and attendance slip are not annexed to this Notice.
5. The notice of the Meeting along with the explanatory statement is being sent by electronic mode to those the Shareholders whose e-mail addresses are registered with the Company. For Shareholders who have not registered their e-mail addresses, physical copies are being sent by the registered post.
6. Shareholders attending the Meeting through VC shall be reckoned for the purpose of fulfilling the quorum. The quorum for the Meeting is fixed at 2 in number or 40% in value of the Shareholders, by the Hon'ble Tribunal. In case the quorum is not present

at the designated time, the Meeting shall be adjourned by half an hour, and thereafter, the person(s) present and voting shall be deemed to constitute the quorum.

7. A copy of the said Scheme, and of the Explanatory Statement under sections 230(3), 232(2) and 102 of the Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, are enclosed and form part of this Notice. Hard copies of the said Scheme, and of the Explanatory Statement can also be obtained by the eligible Shareholders free of charge at the Registered Office of the Transferor Company at Plot No-321, Udyog Vihar Phase-2, Sector-20, Gurgaon – 122016. The present Notice and annexures thereto will also be available on the Transferor Company's website <https://suchalisartisanbakehouse.com/>.
8. Further, a Shareholder which is a body corporate is required to send a legible scanned certified true copy (PDF/JPG Format) of the relevant board resolution, as the case may be, in respect of the representative(s) who are authorized to attend the Meeting through VC on its behalf and to vote through remote e-Voting or during the Meeting, to the Scrutinizer by email to casalilyadav@gmail.com with a copy marked to evoting@nsdl.co.in and to suchali@suchalisartisanbakehouse.com not later than 48 hours before the scheduled time of the commencement of the Meeting. It is also requested to upload the same in the e-voting module in their login.
9. The facility to join the aforesaid meetings online will be opened 15 (Fifteen) minutes before the scheduled time of the meetings and will be kept open through the proceedings of the meetings. Shareholders who need assistance before or during the meeting, may contact Ms. Pallavi Mhatre, Senior Manager NSDL at evoting@nsdl.co.in or call on 022 - 4886 7000 and 022 - 2499 7000.
10. In case of any query/grievance in relation e-voting, the same may be addressed to Ms. Pallavi Mhatre, Senior Manager NSDL at evoting@nsdl.co.in or to the representative of the Transferor Company, Ms. Suchali Jain, Director, by addressing her at suchali@suchalisartisanbakehouse.com or calling on +919899743092.
11. Instructions for remote e-voting and to join the Meeting of Shareholders through VC.

The remote e-voting for the Meeting of Shareholders begins Wednesday, July 19, 2023, at 09:00 a.m. and ends on Friday, July 21, 2023, at 05:00 p.m.

Instructions:

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|--|
| <ol style="list-style-type: none"> i. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. ii. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member/Creditor’ section. iii. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. |
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- iv. Your Login id and password details casting your vote electronically and for attending the Meeting of Members through VC will be provided by NSDL as per the process decided by company.
- v. For the first time the system will ask to reset your password.
- vi. Use your new password to login. Tick on Agree to “Terms and Conditions” by selecting on the check box.
- vii. Now, you will have to click on “Login” button.
- viii. After you click on the “Login” button, Home page of e-Voting will open.
- ix. You will be able to see the EVEN no. of meeting of Shareholders of Suchalis Confectionery Private Limited.
- x. Click on “EVEN” of the company to cast your vote.
- xi. Now you are ready for e-Voting as the Voting page opens.
- xii. Cast your vote by selecting appropriate options i.e., assent or dissent, and click on “Submit” and also “Confirm” when prompted.
- xiii. Upon confirmation, the message “Vote cast successfully” will be displayed.
- xiv. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- xv. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- xvi. If you face any problems/experience any difficulty or if you forgot your password, please feel free to contact at 022 - 4886 7000 and 022-2499 7000, or contact on email id evoting@nsdl.co.in.

12. The instructions for members for e-voting on the day of the Meeting are as under:

- i. The procedure for e-Voting on the day of the Meeting of Suchalis Confectionery Private Limited is same as the instructions mentioned above for remote e-voting.
- ii. Only those Members, who will be present in the Meeting through VC facility and have not casted their vote on the resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the Meeting.

13. Instructions for attending the Shareholders Meeting through VC are as under:

- i. Members will be provided with a facility to attend the Meeting through VC through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under ‘shareholders/members/Creditors’ login by using the remote e-Voting credentials. The link for VC will be available in ‘shareholder/members/Creditor’ login where the EVEN of the Transferor Company will be displayed.

PROCEDURE FOR INSPECTION OF DOCUMENTS

14. The relevant documents referred in the Notice and the Explanatory Statement are available for inspection as referred to in the Notice and will be available electronically/physically for inspection on all working days between 9 a.m. to 6 p.m. (IST) within 1 (one) working day upon request, without any fee by the Shareholders, from the date of circulation of this Notice up to the date of Meeting. Shareholders seeking to inspect such documents can also do so on the website of the Transferor Company at <https://suchalisartisanbakehouse.com>.
15. Shareholders seeking any information with regard to the matter proposed to be considered at the Meeting, are requested to write to the Transferor Company at least 7 (seven) days before the date of the Meeting through email on suchali@suchalisartisanbakehouse.com or by sending written requests at the registered office of the Transferor Company. The same will be addressed by the Transferor Company suitably.

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL

CHANDIGARH BENCH, AT CHANDIGARH

CA (CAA) NO. 10/CHD/HRY/2023 (1ST MOTION)

IN THE MATTER OF THE COMPANIES ACT, 2013

AND

IN THE MATTER OF SECTIONS 230 AND 232 OF THE COMPANIES ACT, 2013 AND

OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND

THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016

AND

IN THE MATTER OF SCHEME OF AMALGAMATION OF

SUCHALIS CONFECTIONERY PRIVATE LIMITED

A private limited company incorporated under the provisions of the Companies Act, 2013 having its registered office at Plot No-321, Udyog Vihar Phase-2, Sector-20, Gurgaon – 122016, India, through its authorized representative, Ms. Suchali Jain, mobile no.: 9899743092, e-mail address: suchali@suchalisartisanbakehouse.com; Corporate Identity Number: U15490HR2018PTC076091

**...Transferor Company/
Applicant No. 1**

AND

MUHAVRA ENTERPRISES PRIVATE LIMITED

A private limited company incorporated under the provisions of the Companies Act, 1956 having its registered office at D-173, Sushant Lok I, Gurgaon – 122002, India, through its authorized representative, Mr. Matthew Joseph Chitharanjan, mobile no.: 9650800776, e-mail address: matt@bluetokaicoffee.com; Corporate Identity Number: U15492HR2012PTC047234

**...Transferee Company/
Applicant No. 2**

EXPLANATORY STATEMENT UNDER SECTIONS 230(3), 232(2) AND 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 TO THE NOTICE OF THE HON'BLE TRIBUNAL CONVENED MEETING OF THE EQUITY SHAREHOLDERS OF SUCHALIS CONFECTIONERY PRIVATE LIMITED

1. Pursuant to order dated May 30, 2023 (**Order**), passed by the Hon'ble National Company Law Tribunal, Chandigarh Bench (**Hon'ble Tribunal/NCLT**) in Company Application CA (CAA) No. 10/Chd/Hry/2023 (1st Motion), filed jointly by Suchalis Confectionery Private Limited (**Transferor Company**) and Muhavra Enterprises Private Limited (**Transferee Company**), a meeting of the equity shareholders (**Shareholders**) of the Transferor Company, is being convened through video conferencing with facility of remote e-voting, on Saturday, the 22nd day of July 2023 at 3:30 P.M. ("**Meeting**"), for the

purpose of considering and if thought fit, approving, with or without modification(s), the scheme of amalgamation between the applicant companies and their respective shareholders and creditors (hereinafter referred to as the **Scheme** or **Scheme of Amalgamation**) under Sections 230 to 232 of the Companies Act, 2013 (**Act**). A copy of the Scheme, setting out details of parties involved in the proposed Scheme, appointed date, effective date etc. is enclosed as **Annexure 1**. Capitalised terms used herein but not defined shall have the meaning assigned to them in the Scheme, unless otherwise stated.

2. In terms of the Order, the Hon'ble Tribunal has appointed Mr. Raghu Nayyar, Former Member (Technical) NCLT, as the Chairperson and failing him Ms. Ekakshra Mandhar, Advocate, as the Alternate Chairperson of the Meeting, including for any adjournment or adjournments thereof. The Hon'ble Tribunal has also appointed Mr. Salil Yadav, Chartered Accountant, as the Scrutinizer for the Meeting, including for any adjournments thereof.
3. In terms of the Order, the quorum for the Meeting of the Shareholders of the Transferee Company is fixed at 2 in number or 40% in value of the Shareholders, as the case may be. In case the prescribed quorum is not there at the designated time when the Meeting is called, then the Meeting shall be adjourned by half an hour, and thereafter, the Shareholders, present and voting, shall be deemed to constitute the quorum.
4. This statement is being furnished as required under Sections 230(3), 232(2) and 102 of the Act, read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (**Rules**).
5. The Board of Directors of the Transferee Company and the Transferor Company at their respective meetings held on 20 December 2022 and 2 January 2023, respectively, unanimously approved the Scheme vide the respective board resolutions, subject to the approval of various authorities and shareholders and creditors of the said companies. The Board of Directors of the Transferee Company and the Transferor Company have come to a conclusion that the Scheme of Amalgamation is in the best interest of the said companies and their respective shareholders and creditors.
6. In accordance with the provisions of Sections 230 to 232 of the Act, the Scheme shall be acted upon only if a majority of persons representing three fourths in value of the Shareholders, of the Transferee Company, as the case may be, voting through remote e-voting and e-voting during the meeting, agree to the Scheme.

7. **BACKGROUND OF THE COMPANIES**

7.1 **Muhavra Enterprises Private Limited (Transferee Company)**

- a) The Transferee Company was incorporated on 26 September 2012, as a private limited company under the name and style "*Muhavra Enterprises Private Limited*".
- b) The Corporate Identification Number of the Transferee Company is U15492HR2012PTC047234. The Permanent Account Number of the Transferee Company is AAICM1839L. The Registered Office of the Transferee Company is situated at D-173, Sushant Lok I, Gurugram – 122002.
- c) The email address of the Transferee Company is matt@bluetokaicoffee.com.
- d) The main objects of the Transferee Company as set out in Clause III (A) of its Memorandum of Association are reproduced herein below:-

"1. To engage in the business of manufacturing, processing and selling goods and providing services related to coffee, including sale of coffee beans, coffee powder and coffee products, services for roasting and processing of coffee beans and allied activities for personal and commercial use, throughout India and overseas.

2. To carry on, in India or elsewhere, either alone or jointly with one or more persons, companies, government, or other entities and bodies of any kind, the business of cafe, Restaurant, hotel, tavern, snacks bar, refreshment room, tea room, beer House, lodging house keepers, licensed victuals, wine, beer and spirit merchants, brewers, Maltsters, Distillers, importers and manufacturers of aerated, mineral and artificial waters and other drinks, purveyors and caterers.

3. To own, purchase, manage, franchise, run, use, maintain, operate, take over, acquire, erect, construct, build, set up, furnish, adapt, or in any other manner and in all its aspects deal in, cafe, restaurants of every kind and sort, including all land, buildings, premises, conveniences, amenities and facilities adjunct thereto, whether owned by the Company or otherwise, and to render technical services, managerial services, advisory services thereon, to promote, operate, maintain, manage, market, enter into brand licensing arrangements, provide consultancy services, technical services, operation and management services, facilities management services, hospitality services, housekeeping services and other services, to any persons or entities, in relation to the residential or commercial projects, immovable properties and other real estate assets and to enter into any arrangements of licensing, brokerage, commission, technical, business or financial collaboration with any other party or concern, in relation thereto.”

- e) The Transferee Company is engaged in the business of, *inter alia*, manufacturing, processing, distributing, marketing and selling goods related to specialty food and beverage products, including, but not limited to coffee products (beverages, roasted beans, coffee powder and coffee products), chocolate products and mushrooms, and providing services such as saleable drinks in a kiosk format or via delivery for personal and commercial use, and any other business that may be conducted from time to time, throughout India and overseas.
- f) During the last 5 (Five) years, there has been no change in the name, registered office and the main objects (summarised above) of the Transferee Company.
- g) Shares of the Transferee Company are not listed on any stock exchange.
- h) The amount due to unsecured creditors of the Transferee Company, as on 27 January 2023, is INR 5,19,62,349/--.
- i) The capital structure of the Transferee Company as on 13 February 2023 was as under:

Particulars	Amount (in INR)
<u>Authorised Share Capital</u>	
2,20,000 equity shares of INR 10/- each;	2,77,00,000/-
50,000 preference shares of INR 10/- each;	
25,000 preference shares of INR 1000/- each	
Total Authorised Share Capital	2,77,00,000/-
<u>Issued, Subscribed and Paid-up Share Capital</u>	
<u>Issued, subscribed</u>	1,01,26,260/-
15,766 equity shares of INR 10/- each	
16,960 preference shares of INR 10/- each	
9,799 preference shares of INR 1000/- each	

<u>Paid up</u>	
15,766 equity shares of INR 10/- each	
16,960 preference shares of INR 10/- each	96,27,260/-
9,300 preference shares of INR 1000/- each	
Total Paid Up Share Capital	96,27,260/-

Note: Please note that the paid-up share capital of the Transferee Company has been increased from INR 96,27,260/- to INR 1,01,26,260/- by way of allotment of 499 (Four Hundred Ninety Nine) compulsorily convertible preference shares on 16 February 2023 to DSP HMK Holdings Private Limited.

j) Names of the Promoters of the Transferee Company along with their addresses:

S. No.	Name of the Promoter	Address
1.	Mathew Joseph Chithranjan	D-173, Sushant Lok I, Chakarpur (74), Gurgaon, DLF QE, Gurgaon, Haryana 122002
2.	Namrata Asthana	D-173, Sushant Lok I, Gurugram, Haryana 122002
3.	Shivam Shahi	2242 Sector B2, Green Glade Apartment, Vasant Kunj, New Delhi, Delhi – 110070 Also at: 3375, Sector D, Pocket 3, Vasant Kunj, New Delhi-110070

k) Names of the Directors of the Transferee Company along with their addresses:

S. No.	Name of Directors	DIN	Address	Date of Appointment	Designation
1.	Shuchi Hemendra Kothari	03243097	57, Sea View, Worli Seaface, Worli Mumbai, Maharashtra-400025	20 September 2022	Director
2.	Mathew Joseph Chitharanjan	06368646	D-173, Sushant Lok I, Chakarpur (74), Gurgaon, DLF QE, Gurgaon, Haryana 122002	26 September 2012	Director
3.	Namrata Asthana	06368654	D-173, Sushant Lok I, Gurugram, Haryana 122002	26 September 2012	Director
5.	Christopher	06477674	Radha,453,	02 June 2015	Director

S. No.	Name of Directors	DIN	Address	Date of Appointment	Designation
	Leigh Kolenaty		Gokhale Road, Model Colony, Pune, Maharashtra-411016 / 505, West End AV 9B, New York 411016		
6.	Shivam Shahi	10002921	2242 Sector B2, Green Glade Apartment, Vasant Kunj, New Delhi, Delhi – 110070 / 3375, Sector D, Pocket 3, Vasant Kunj, New Delhi-110070	18 December 2022	Additional Director
7.	Prasun Agarwal	09533854	B-8, 1 st Floor, Geetanjali Enclave, Near Aurobindo College, Malviya Nagar, S.O. South Delhi, Delhi-110017	13 January 2023	Additional Director
8.	Abhay Kumar Pandey	01650845	B-1601, Lodha Bellissimo, N.M. Joshi Marg Mahalakshmi, Mumbai, Maharashtra-400011	13 January 2023	Additional Director

Note: Please note that Mr. Prasun Agarwal and Mr. Abhay Kumar Agarwal were appointed as directors of the Transferee Company in the board meeting held on 13 January 2023, followed by an extra-ordinary general meeting held on 20 January 2023. The Transferee Company is in the process of filing form DIR-12 in relation to their appointment as directors and accordingly their designation are yet to be updated in the records of Ministry of Corporate Affairs as on date.

7.2 Suchalis Confectionery Private Limited (Transferor Company)

- a) The Transferor Company was incorporated on 27 September 2018, as a private limited company under the name and style “Suchalis Confectionery Private Limited”.

- b) The Corporate Identification Number of the Transferor Company is U15490HR2018PTC076091. The Permanent Account Number of the Transferor Company is ABACS9199J. The Registered Office of the Transferor Company is situated at Plot No. 321, Udyog Vihar Phase-2, Sector-20, Gurgaon, Haryana-122016, India.
- c) The email address of the Transferor Company is suchali@suchalisartisanbakehouse.com.
- d) The main objects as mentioned in Clause 3 (a) of the Memorandum of Association of Transferor Company are as follows:
- “1. *To carry on the business of manufacturers, producers, buyers, sellers, distributors, commission agents, importers & exporters of all types & kinds of bread, biscuits, bakery products, confectionery, sweets & namkeen foods products.*
 2. *To carry on in India or elsewhere the business to process, prepare, disinfect, fermentate, compound, mix, clean, wash, concentrate, crush, grind, segregate, pack, repack, add, remove, heat, grade, preserve, freeze, distillate, boil, sterilize, improve, extract, refine, buy, sell, resale, import, export, barter, transport, store, forward, distribute, dispose, develop, handle, manipulate, consultant, collaborator, adatia, stockists, liasioner, middleman, export house, jobworker or otherwise to deal in all types, descriptions, tastes, uses and packs of consumer food items, their byproducts, ingredients, derivatives, residues, including foods and vegetables, packed foods, powders, pastes, liquids, drinks, beverages, juices, jams, jelly, squashes, pickles, sausages, concentrates, extracts, essences, flavours, syrups, sarbats, flavoured drinks, health and diet drinks, extruded foods, frozen foods, dehydrated foods, precooked foods, canned foods, preserved foods, health foods, protien foods, cream, cheese, butter, biscuits, breades, cakes, pastries, confectionery, sweets, chocolates, toffees, funfoods, breakfast foods, protien foods, dietic products, strained baby foods, instant foods, cereal products, table delicacies, and all other items whether natural, artificial or synthetic.*
 3. *To carry on the business of process, produce. Mix, pack, preserve, freeze, extract, refine, manufacture, import, export, buy, sell, trade and deal in Bread, processed foods, health foods, protein foods, food products, agro foods, fast foods, packed foods, poultry products, sea foods, milk foods, health and diet drinks, extruded foods, frozen foods, dehydrated foods, precooked foods, canned foods, preserved foods, bakery products and confectionery items such as breads, biscuits, sweets, cakes, pastries, cookies, wafers, condoles, lemon drops, chocolate, toffees, tinned fruits, chewing gum, bubble gum, detergents, tea and coffee, vegetables, fruits, jams, jelly, pickles, squashes, sausages, nutrient, health and diet foods/ drinks, extruded foods, confectionery items, sweets, cereals products and any other food products in and outside India.*
 4. *To carry in India or elsewhere the business to process, prepare, disinfect, fennentate, compound, mix, clean wash, concentrate, crush, grind, segregate, pack, repack, add, remove, heat, grade, preserve, freeze, distillate, boil, sterilize, improve, extract refine, buy, sell, resale, import, export, barter, transport, store, forward, distribute, dispose, develop, handle, manipulate, consultant, collaborator, adatia, stockists, liasioner, middleman, export house, jobworker or otherwise to deal in all types, descriptions, tastes, uses and packs of consumer food items, their byproducts, ingredients, derivatives, residues, including foods and vegetables, packed foods, powders, pastes, liquids, drinks, beverages, juices, jams, jelly, squashes, pickles, sausages, concentrates, extracts, essences, flavours, syrups, sarbats, flavoured drinks, cream, cheese, butter, biscuits, breads, cakes, pastries, confectionery, sweets, chocolates,*

toffees, fun foods, breakfast foods, dietic products, strained baby foods, instant foods, cereal products, table delicacies and all other items whether natural, artificial or synthetic."

- e) The Transferor Company is engaged in the business of, *inter alia*, manufacturing, producing, buying, selling, distributing of all types and kinds of bread, biscuits, baked goods and confectionery food products.
- f) During the last 5 (Five)years, there has been no change in the name and the main objects (summarised above) of the Transferor Company. However, the registered office of the Company was changed from U-25, DLF-III, VPO Nathupur, Gurgaon, Haryana-122002, India to Plot No. 321, Udyog Vihar Phase-2, Sector-20, Gurgaon, Haryana-122016, India, on 20 July 2020.
- g) Shares of the Transferor Company are not listed on any stock exchange.
- h) The amount due to unsecured creditors of the Transferor Company, as on 27 January 2023, is INR 51,44,921/-.
- i) The capital structure of the Transferor Company, as on 27 January 2023, is as under:

Particulars	Amount (in INR)
<u>Authorised Share Capital</u> 15,000 equity shares of INR 10/- each;	1,50,000/-
Total Authorised Share Capital	1,50,000/-
<u>Issued, Subscribed and Paid-up Share Capital</u>	
<u>Issued, subscribed</u> 10,142 equity shares of INR 10/- each	1,01,420/-
<u>Paid up</u> 10,142 equity shares of INR 10/- each	1,01,420/-
Total Paid up Share Capital	1,01,420/-

- j) Names of the Promoters of the Transferor Company along with their addresses:

S. No.	Name of the Promoter	Address
1.	Suchali Jain	A- 57, Near- S.D. College, Tribun Colony, Ambala, Haryana-133001
2.	Mitali Singh	House No-5127, Sector-B, Pocket-7, Vasant Kunj, Delhi-110070

- k) Names of the Directors of the Transferor Company along with their addresses:

S. No.	Name of Directors	DIN	Address	Date of Appointment	Designation
1.	Suchali Jain	08241627	A- 57, Near- S.D. College, Tribun	27 September 2018	Director

			Colony, Ambala, Haryana- 133001		
2.	Mitali Singh	08241628	House No- 5127, Sector- B, Pocket-7, Vasant Kunj, Delhi-110070	27 September 2018	Director

8. **APPLICABILITY OF VALUATION REPORT**

The Transferee Company, on the basis of the valuation reports dated 17 December 2022, prepared by Mr. Subodh Kumar, an Independent Registered Valuer, registered with IBBI vide Registration No. IBBI/RV/05/2019/11705, having his office at 210, 2nd Floor, Wadhwa Complex, Street No. 10, Laxmi Nagar, New Delhi-110092, India and a coordinating office at First Floor, 12/14, Dhakka, Near Kingsway Camp, Delhi-110009, shall, without any further application, act, instrument or deed, issue and allot to each of the Transferor Members (as defined in the Scheme), whose name is registered in the register of members of the Transferor Company on the Record Date (as defined in the Scheme), shares in the Transferee Company as follows:

For 2.426 shares of the Transferor Company, the Transferor Member shall be issued 1 (One) Equity Share of the Transferee Company.

The employee stock option pool of the Transferee Company on a Fully Diluted Basis (as defined in the Scheme) shall stand increased by 267 (Two Hundred and Sixty-Seven), to accommodate the employee stock option pool of the Transferor Company.

9. **RELATIONSHIP SUBSISTING BETWEEN PARTIES TO THE SCHEME**

The Transferor Company has entered into a supply agreement dated 1 April 2022, with the Transferee Company pursuant to which the Transferor Company supplies baked products and packaged goods on Pan India basis to all the stores, cafes, and outlets of the Transferee Company. The said agreement is valid for 3 (Three) years commencing from 1 April 2022 to 31 March 2025.

The Transferor Company and Transferee Company have also entered into the following shop-in-shop arrangements:

- (i) 'Shop-In-Shop Agreement' dated 9 March 2022 executed by the Transferor Company with the Transferee Company in relation to property situated at PSP, C-G-20, the Palm Spring Plaza, Golf Course Road, Sector-54, Gurgaon, Haryana, wherein the Transferor Company has procured a store-in-store space in the Transferee Company's outlet for the purpose of selling its baked and packaged products; and
- (ii) Shop-In-Shop Agreement' dated 1 May 2022, executed by the Transferor Company with Transferee Company in relation to property leased by the Transferor Company, situated at Plot No. 253, (MB-690) Mohishbathan Salt Lake, Kolkata – 700059, the Transferee Company has procured a store-in-store space in Transferor Company's outlet for purpose of selling its products.

10. **RATIONALE OF THE SCHEME**

The proposed Amalgamation (as defined in the Scheme) as envisaged in Scheme, is a measure of consolidation of the related entities in same line of business to achieve the following objectives:

- (a) The Amalgamation is expected to achieve cost savings from more focused operational efforts, rationalization and standardization of business processes by way of consolidation.
- (b) The Amalgamation is expected to achieve business synergies and is expected to enable carrying on the businesses more economically.
- (c) The Amalgamation is intended to rationalize the business operations and activities, to utilize the potential for growth and diversification and for better optimization of costs and resources.
- (d) The Amalgamation would result in consolidation to enable better and more efficient management, and more opportunities to vigorously pursue growth and expansion.

It is, therefore, considered desirable and expedient to carry out the Scheme of Amalgamation pursuant to Sections 230 to 232 and other applicable provisions of the Act (as may be in force).

The Scheme is in the interest of the shareholders, creditors and employees of the Transferor Company and the Transferee Company.

11. SALIENT FEATURES OF THE SCHEME

- a) The Scheme is presented under Sections 230 to 232 of the Act and other applicable provisions of the Act and the rules and regulations framed thereunder, to the extent notified, for amalgamation of the Transferor Company with and into the Transferee Company.
- b) The Appointed Date as defined in the Scheme, is 1 April 2022 or such other date as may be modified, upon mutual considerations and acceptance, by the Board of Directors of the Transferor Company and the Transferee Company, and / or being such date as may be approved by the Hon'ble Tribunal.
- c) The Effective Date of the Scheme has been defined as the date on which a certified copy of the order of the Hon'ble Tribunal sanctioning the Scheme is filed with the Registrar of Companies. Any reference in the Scheme to "upon the Scheme becoming effective" or "effectiveness of the Scheme" or "Scheme coming into effect", etc., shall mean the "Effective Date".
- d) Upon the Scheme coming into effect, pursuant to the sanction of the Scheme by the Hon'ble Tribunal and pursuant to the provisions of Sections 230 to 232 of the Act and other applicable provisions, if any, of the Act, all assets of the Transferor Company Undertaking (as defined in the Scheme), shall be and stand vested in or be deemed to have been vested in the Transferee Company, as a going concern without any further act, instrument, deed, matter or thing so as to become, as and from the Appointed Date, the undertaking of the Transferee Company by virtue of and in the manner provided in the Scheme.
- e) With effect from the Appointed Date, all debts, liabilities, contingent liabilities, trade payables, duties and obligations of the Transferor Company shall also, without any further act, instrument or deed be transferred to and vested in and assumed by and/or deemed to be transferred to and vested in and assumed by the Transferee Company pursuant to the provisions of Sections 230 to 232 of the Act, so as to become the liabilities of the Transferee Company and further that it shall not be necessary to intimate or obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such liabilities have arisen, in order to give effect to this clause.

It is clarified that where any such debts, loans raised, liabilities, duties and obligations of the Transferor Company as on the Appointed Date have been discharged or satisfied by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge

or satisfaction shall be deemed to be for and on account of the Transferee Company.

All loans raised and utilized and all liabilities, duties and obligations incurred or undertaken by the Transferor Company in the ordinary course of business after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon coming into effect of the Scheme and in terms of the provisions of the Act, without any further act, instrument or deed be and stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company and shall become the loans and liabilities, duties and obligations of the Transferee Company which shall meet, discharge and satisfy the same.

- f) All the legal proceedings of whatsoever nature by or against the Transferor Company pending and/or arising at or after the Appointed Date with respect to its properties, assets, debts, liabilities, duties and obligations, shall be continued and/or enforced (as applicable) until the Effective Date against the Transferor Company only. From the Effective Date, such proceedings shall be continued and enforced by or against the Transferee Company in the manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company.

In case of any litigation, suits, recovery proceedings which are to be initiated or may be initiated against the Transferor Company after the Appointed Date, the Transferee Company shall be made party thereto and any payment and expenses made thereto shall be the liability of the Transferee Company after the Appointed Date.

- g) Upon the Scheme coming into effect, all employees of the Transferor Company as on such date shall become the employees of the Transferee Company, and, subject to the provisions hereof, on such terms and conditions as provided in the employment agreements to be executed with the Transferee Company, without any interruption of service as a result of the Amalgamation.

The Transferor Company further agrees that for the purpose of payment of any retirement benefit/compensation, such immediate uninterrupted past services with the Transferor Company shall also be taken into account.

Upon the Scheme coming into effect, the accounts of the employees, who are employed by the Transferor Company, relating to the provident fund, employee state insurance, gratuity fund and pension and/or superannuation fund and any other fund for the benefit of the employees of the Transferor Company, shall be identified, determined and transferred to the respective funds of the Transferee Company and the employees shall be deemed to have become members of such trusts/ funds of the Transferee Company.

- h) With effect from the Appointed Date and upon the Effective Date, all statutory licences, patents, permissions, approvals, copyrights, trademarks, authorisations or consents to carry on the operations and business of the Transferor Company shall stand vested in or transferred to the Transferee Company without any further act or deed and shall be appropriately mutated by the statutory authorities concerned in favour of the Transferee Company. The benefit of all statutory and regulatory permissions, environmental approvals and consents, patents, authorisations, registrations or other licenses and consents shall vest in and become available to the Transferee Company pursuant to the Scheme. In so far as the various incentives, subsidies, rehabilitation schemes, special status and other benefits or privileges enjoyed, granted by any government body, local authority or by any other person, or availed of by the Transferor Company, are concerned, the same shall vest with and be available to the Transferee Company on the same terms and conditions.

- i) Subject to the other provisions of the Scheme, all contracts, deeds, bonds, memorandum of understandings, non-disclosure agreements, response to request for proposal or request for information, insurance, letters of intent, agreements, arrangements and other instruments, if any, of whatsoever nature relating to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall be in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced by or against the Transferee Company as fully and eventually as if, instead of the Transferor Company, the Transferee Company had been a party thereto. The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of the Scheme, if so required. Further, the Transferee Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of the Scheme. The Transferee Company shall, under the provisions of the Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.

For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the Amalgamation coming into effect on the Effective Date, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company in relation to the Transferor Company Undertaking (as defined in the Scheme) shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall make applications to relevant Governmental Authority as may be necessary in this regard.

- j) All taxes payable by the Transferor Company and the benefits/ credits of taxes available to the Transferor Company, upto the Appointed Date, including all or any refunds and claims shall, for all purposes, be treated as the tax liabilities or refunds and claims of the Transferee Company.

Upon the Effective Date, the Transferee Company is expressly permitted to revise its income tax returns, carry forward losses from the Transferor Company and to claim refunds, advance tax and withholding tax credits, etc., pursuant to the provisions of the Scheme and the Income Tax Act, 1961 and any amendments thereto.

Upon the Effective Date, the Transferee Company is also expressly permitted to claim refunds/credits on account of income-tax, Goods & Service Tax (GST) and other taxes in accordance with the rules prescribed in the relevant legislations.

All taxes paid or payable by the Transferor Company in respect of the operations and/or the profits of the business on and from the Appointed Date, shall be on account of the Transferee Company and, insofar as it relates to the payment of such taxes, whether by way of deduction/ collection at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly. The relevant authorities shall be bound to transfer to the account of and give credit for the same to the Transferee Company upon the passing of the

orders on the Scheme by the Hon'ble Tribunal upon relevant proof and documents being provided to the said authorities.

- k) Upon the Scheme becoming effective, the authorized share capital of Transferor Company shall stand combined with the authorized share capital of Transferee Company. Filing fees and stamp duty, if any, paid by the Transferor Company on its authorized share capital, shall be deemed to have been so paid by the Transferee Company on the combined authorized share capital and accordingly, the Transferee Company shall not be required to pay any fee/stamp duty for its increased authorized share capital. However, the Transferee Company shall file the requisite forms and fresh memorandum and articles of association with the Registrar of Companies
- l) As on the Appointed Date, the reserves, surplus and balance in profit & loss account of the Transferor Company will be merged with the respective reserves, surplus and balance in profit & loss account of the Transferee Company in the same form as they appeared in the financial statements of the Transferor Company.

The difference between the amount recorded as share capital issued (plus any additional consideration in the form of cash or other assets) and the amount of share capital of the Transferor Company shall be adjusted in reserves.

If, at the time of the Amalgamation, the Transferor Company and the Transferee Company have conflicting accounting policies, a uniform set of accounting policies should be adopted following the Amalgamation. The effects on the financial statements of any changes in accounting policies should be reported in accordance with Accounting Standard (AS) 5 'Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies'.

- m) During the period between the Appointed Date and up to and including the Effective Date, the Transferor Company shall not declare any dividend without the prior written consent of the Board of Directors of the Transferee Company.

For avoidance of doubt, the shareholders of the Transferee Company shall, save as expressly provided otherwise in the Scheme, continue to enjoy their existing rights under their respective articles of association including the right to receive dividends until the Effective Date and nothing in the Scheme shall prevent Transferee Company from declaring and paying dividends, whether interim or final, or issuing any bonus shares to its shareholders as on a Record Date and the equity shareholders of the Transferor Company shall not be entitled to dividends or bonus shares, if any, declared or issued by Transferee Company prior to the Effective Date.

- n) Upon the Effective Date the Transferor Company shall stand dissolved without being wound up and the Board of Directors and any committees thereof of the Transferor Company shall without any further act, instrument or deed be and stand dissolved.
- o) Upon the Scheme coming into effect, the resolutions, if any, of the Transferor Company, which are valid and subsisting on the Effective Date shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions impose upper monetary or other limits under the provisions of the Act, or any other applicable provisions, then the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company

THE FEATURES SET OUT ABOVE BEING ONLY THE SALIENT FEATURES OF THE SCHEME, THE SHAREHOLDERS ARE REQUESTED TO READ THE ENTIRE TEXT OF THE SCHEME TO GET THEMSELVES FULLY ACQUAINTED WITH THE PROVISIONS THEREOF.

12. The Scheme does not contemplate any debt restructuring nor is the Transferee Company and the Transferor Company undergoing any debt restructuring.
13. No investigations or proceedings have been instituted and are pending in relation to either the Transferee Company or the Transferor Company under the Act, or the Companies Act, 1956 except the following:

S. No.	Case Details pertaining to the Transferor Company	Pending with Authorities	Current Status
1.	[ITBA] Show Cause Notice u/s 271(1)(c) of Income Tax Act 1961 Demand Reference Number 2018201637046667216C	Commissioner Of Income Tax (Appeals)	Ongoing

14. **DETAILS OF APPROVALS, SANCTIONS OR NO-OBJECTION(S), IF ANY, FROM REGULATORY OR ANY OTHER GOVERNMENTAL AUTHORITIES REQUIRED, RECEIVED OR PENDING FOR THE PROPOSED SCHEME:**

The Transferee Company and the Transferor Company have filed a joint application before the Hon'ble Tribunal for the sanction of the Scheme under sections 230 to 232 and other applicable provisions of the Act and the Hon'ble Tribunal has given directions to, inter alia, convene the meetings of the respective shareholders, secured creditors and unsecured creditors of the Transferee Company and the Transferor Company, vide order dated May 30, 2023.

The Transferee Company and the Transferor Company are governed by the Income Tax Department, the Central Government through the Registrar of Companies, Ministry of Corporate Affairs, the Regional Director, Northern Region and the Official Liquidator. Hence, representations from the aforementioned authorities on the Scheme are awaited by the the Transferee Company and the Transferor Company. It is hereby clarified that the Transferee Company and the Transferor Company are not governed by any other governmental authority whose representations may be required for the purpose of the Amalgamation.

15. **DISCLOSURE ABOUT EFFECT OF THE COMPROMISE OR ARRANGEMENT ON THE FOLLOWING PARTIES:**

a) **Key Managerial Personnel (KMPs)**

The KMPs of the Transferee Company and the Transferor Company do not have any interest in the Scheme financially or otherwise, except to the extent of their shareholding, if any, in the Transferor Company.

b) **Directors**

The directors of the Transferee Company and the Transferor Company do not have any other interest in the Scheme financially or otherwise, except to the extent of their shareholding, if any, in the Transferor Company.

Further, upon the Scheme coming into effect, the Transferor Company shall stand dissolved without winding up and accordingly, its board shall cease to exist.

c) **Shareholders**

As per the Scheme, the Transferee Company will issue new shares to the shareholders of the

Transferor Company based on the Share Exchange Ratio, i.e., for every 2.426 shares of the Transferor Company, the member of the Transferor Company shall be issued 1 equity share of the Transferee Company, based on the share exchange ratio of 0.4122:1 (**Share Exchange Ratio**).

The shareholders of the Transferor Company will cease to hold shares in the Transferor Company and will receive shares in the Transferee Company in consideration of the Amalgamation and in accordance with the Share Exchange Ratio.

d) **Promoters and non-promoter members**

The Promoters of the Transferee Company do not have any other interest in the Scheme except to the extent of their shareholding, if any, in the Transferor Company.

The promoter/non-promoter shareholders of the Transferor Company will be treated at par with the other shareholders of the Transferee Company, once they will be issued shares of the Transferee Company.

Please refer to point (c) above for details regarding effect on the shareholders.

e) **Depositors**

As of date, the Transferee Company and the Transferor Company have not accepted any deposits, therefore the effect of the Scheme on any such public deposit holders does not arise.

f) **Creditors**

The Transferee Company has 24 (Twenty Four) secured creditors and their total outstanding principal amount as of 31 December 2022 is INR 20,17,38,129/-. Further, the Transferee Company has 42 (Forty Two) unsecured creditors, and their total outstanding balances as of 27 January 2023 is INR 5,19,62,349/-. The Scheme does not cause any prejudice to the creditors of the Transferee Company. Further, the creditors of the Transferee Company are also in no way affected as there is no reduction in the amount payable to any of the creditors, no compromise or arrangement is contemplated with the creditors and there is no significant reduction in the security, which the creditors may have in the Transferee Company. Further, the proposed Scheme would not in any way adversely affect the ordinary operations of the Transferee Company or the ability of the Transferee Company to honor its commitments or to pay its debts in the ordinary course of business.

The Transferor Company has 2 (Two) secured creditors and their outstanding principal amount as on 31 December 2022 is INR 1,52,05,445/-. Further, the Transferor Company has 7 (Seven) unsecured creditors and the total outstanding balances as on 27 January 2023 is INR 51,44,921/-. As per the Scheme, all the debts, liabilities, contingent liabilities, duties and obligations of the Transferor Company, as on the Appointed Date, whether provided for or not in the books of accounts of the Transferor Company and all other liabilities which may accrue or arise after the Appointed Date but which relates to the period on or up to the day of the Appointed Date shall be the debts, liabilities, duties and obligations of the Transferee Company including any encumbrance on the assets of the Transferor Company or on any income earned from those assets.

g) **Debenture holders**

As of date, the Transferee Company and the Transferor Company do not have any compulsory convertible debentures, therefore the effect of the Scheme on any such debenture holders does

not arise.

However, the Company has issued 200 (Two Hundred) senior, unsubordinated, secured, redeemable non-convertible debentures of the face value of INR 5,00,000/- (Indian Rupees Five Lakhs only), each aggregating to INR 10,00,00,000/- (Indian Rupees Ten Crores only) to certain identified investors on a private placement basis on 04 May, 2022.

h) **Deposit trustee and debenture trustee**

As of date, the Transferee Company and the Transferor Company do not have any debenture trustee or deposit trustee, therefore the effect of the Scheme on any such deposit trustee/debenture trustee does not arise.

i) **Employees**

Upon the Scheme coming into effect, all employees of the Transferor Company as on such date shall become the employees of the Transferee Company, and, subject to the provisions hereof, on such terms and conditions as provided in the employment agreements to be executed with the Transferee Company, without any interruption of service as a result of the Amalgamation.

16. Shareholders to whom the Notice is sent may vote in the meeting through remote e-voting facility before the meeting/e-voting facility during the meeting.

17. **CAPITAL STRUCTURE OF THE TRANSFEROR COMPANY - PRE AND POST SCHEME (EXPECTED)**

Particulars	PRE-SCHEME AS ON 27 January 2023		POST-SCHEME (EXPECTED)	
	No. of shares	Amount (in INR)	No. of shares	Amount (in INR)
Authorised Share Capital Equity Shares of INR10/- each	15,000	1,50,000/-	-	-
Total Authorised Share Capital	15,000	1,50,000/-	-	-
Issued, Subscribed and Paid-up Share Capital Equity Shares of INR10/- each	10,142	1,01,420/-	-	-
Total Paid Up Share Capital	10,142	1,01,420/-	-	-

18. **CAPITAL STRUCTURE OF TRANSFEE COMPANY - PRE AND POST SCHEME (EXPECTED)**

Particulars	PRE-SCHEME AS ON 13 FEBRUARY 2023		POST-SCHEME (EXPECTED)	
	No. of shares	Amount (in	No. of shares	Amount (in INR)

		INR)		
<u>Authorised Share Capital</u>		2,77,00,000/-		2,77,00,000/-
Equity Shares of INR 10/- each	2,20,000		2,20,000	
Preference shares of INR 10/- each	50,000		50,000	
Preference shares of INR 1000/- each	25,000		25,000	
<u>Issued, Subscribed and Paid-up Share Capital</u>				
<u>Issued, subscribed</u>		1,01,26,260/-		1,72,75,060/-
Equity shares of INR 10/- each	15,766		19,946	
Preference shares of INR 10/- each	16,960		16,960	
Preference shares of INR 1000/- each	9,799		16,906	
<u>Paid up</u>		96,27,260/-		1,72,75,060/-
Equity shares of INR 10/- each	15,766		19,946	
Preference shares of INR 10/- each	16,960		16,960	
Preference shares of INR 1000/- each	9,300		16,906	

Note: Please note that the paid-up share capital of the Company (as mentioned under the pre-scheme capital structure) has been increased from INR 96,27,260 to INR 1,01,26,260/- by way of allotment of allotted of 499 (Four Hundred Ninety-Nine) compulsory convertible preference shares on 16 February 2023 to DSP HMK Holdings Private Limited.

19. The Scheme does not have a prejudicial effect on the Key Managerial Personnel, Directors, Shareholders, Creditors, Employees of the Transferee Company and the Transferor Company, as no sacrifice or waiver is, at all, called from them nor are their rights sought to be modified in any manner.
20. None of the Directors, Shareholders, Key Managerial Personnel, Creditors and Employees of the Transferor Company and Transferee Company respectively have any material interest in the Scheme.
21. No winding up petition is pending against the Transferee Company and the Transferor Company.
22. In compliance with the provisions of Section 232(2)(c) of the Act, the Board of Directors of the Transferee Company and the Transferor Company, in their respective meetings held on 20 December 2022 and 2 January 2023, respectively, have adopted a report, *inter alia*, explaining the effect of the Scheme on each class of shareholders, key managerial personnel, promoter and non-promoter shareholders. Copy of the reports adopted by the Board of Directors of the Transferee Company and Transferor Company is enclosed herewith as **Annexure 2 and Annexure 3**, respectively.
23. Audited financial statements of the Transferee Company and Transferor Company for the period ended 31

March 2022, is enclosed as **Annexure 4 and Annexure 5**, respectively, while the unaudited financial statements of Transferee Company and Transferor Company as on 31 December 2022 have been enclosed as **Annexure 6 and Annexure 7**, respectively.

24. **INSPECTION OF DOCUMENTS:**

The following documents will be open for inspection to the Shareholders of the Transferee Company at its registered office situated at Plot No-321, Udyog Vihar Phase-2, Sector-20, Gurgaon – 122016, India on all working days (except Saturday, Sunday and public holidays) between 9 a.m. and 6 p.m. up to the date of the ensuing Meeting:

- a. Copy of the order dated May 30, 2023, passed by the Hon'ble Tribunal in Company Application CA (CAA) NO. 10/Chd/Hry/2023 (1st Motion) directing *inter alia* the convening of the Meeting.
- b. Copy of the Scheme as filed before the Hon'ble Tribunal.
- c. Copy of the audited financials of the Transferee Company for the year ended 31 March 2022.
- d. Copy of the audited financials of the Transferor Company for the year ended 31 March 2022.
- e. Copy of the unaudited financial statements of Transferee Company as on 31 December 2022.
- f. Copy of the unaudited financial statements of Transferor Company as on 31 December 2022.
- g. Copy of the Report adopted by the Board of Directors of Transferee Company pursuant to the provisions of Section 232(2)(c) of the Act.
- h. Copy of the Report adopted by the Board of Directors of Transferor Company pursuant to the provisions of Section 232(2)(c) of the Act.
- i. Copies of the valuation reports dated 17 December 2022 prepared by Mr. Subodh Kumar, an Independent Registered Valuer, registered with IBBI vide Registration No. IBBI/RV/05/2019/11705, determining the share exchange value between the Transferee Company and the Transferor Company.
- j. Copies of the certificate issued by Auditors of the Transferee Company and Transferor Company to the effect that the accounting treatment proposed in the Scheme of Amalgamation is in conformity with the Accounting Standards prescribed under Section 133 of the Act.

For Suchalis Confectionery Private Limited

SUCHALI Digitally signed
by SUCHALI JAIN
I JAIN Date: 2023.06.17
11:52:25 +05'30'

Suchali Jain
Director
Authorized Signatory
Date : June 17, 2023
Place : Gurgaon

Registered Office: Plot No-321, Udyog Vihar Phase-2, Sector-20, Gurgaon – 122016, India.

IN THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL
BENCH AT CHANDIGARH

CA (CAA) No. 10/Chd/Hry/2023
(1st Motion)

Under Sections 230 to 232 of the
Companies Act, 2013 read with
Companies (Compromise,
Arrangements and Amalgamations)
Rules, 2016

IN THE MATTER OF SCHEME OF AMALGAMATION OF:

SUCHALIS CONFECTIONERY PRIVATE LIMITED

with its registered office at:

Plot No-321, Udyog Vihar Phase-2, Sector-20, Gurgaon - 122016, India,

CIN: U15490HR2018PTC076091

PAN: AAICM1839L

...Transferor Company/Applicant
Company No. 1

AND

MUHAVRA ENTERPRISES PRIVATE LIMITED

with its registered office at:

D-173, Sushant Lok I, Gurgaon -122002, India,

CIN: U15492HR2012PTC047234

PAN: ABACS9199J

...Transferee Company/Applicant
Company No. 2

Order delivered on: 30.05.2023

Coram: HON'BLE MR. HARNAM SINGH THAKUR, MEMBER (JUDICIAL)
HON'BLE MR. SUBRATA KUMAR DASH, MEMBER (TECHNICAL)

Present : -

For the Applicant Companies: Mr. Sahil Sharma, Advocate

Per: HARNAM SINGH THAKUR, MEMBER (JUDICIAL)

ORDER

This is a Joint First Motion Application filed by Applicant Companies namely; **SUCHALIS CONFECTIONERY PRIVATE LIMITED** (for short hereinafter referred to as “Applicant Company/ Transferor Company No.1”) and **MUHAVRA ENTERPRISES PRIVATE LIMITED** (for short hereinafter referred to as “Applicant Company/Transferee Company No.2”) under Section 230-232 of the Companies Act, 2013 (the Act) and other applicable provisions of the Act read with Companies (Compromises, Arrangements, and Amalgamations) Rules, 2016 (the Rules) in relation to the Scheme of Amalgamation between the respective companies. The said Scheme is attached as **Annexure 3** with the Application.

2. The Transferor Company is presently engaged in the business of, *inter alia*, manufacturing, producing, buying, selling and distributing all types and kinds of bread bakery products, confectionery, sweets and namkeen foods products.

3. The Transferee Company is presently engaged in the business of, *inter alia*, manufacturing, processing, distributing, marketing and selling goods related to specialty food and beverage products, including, but not limited to coffee products (beverages, roasted beans coffee powder and coffee products), chocolate products and mushrooms and providing services such as saleable drinks in a kiosk format or via delivery for personal and commercial use, throughout India and overseas.

4. It is submitted that the registered offices of the Applicant Companies are situated in Gurugram, therefore, the territorial jurisdiction of Applicant Companies falls with this Bench.

5. The rationale of the Scheme is given below: -

- a. The Amalgamation between the Applicant Companies (**Amalgamation**) is expected to achieve cost savings from more focused operational efforts,

rationalization and standardization of business processes by way of consolidation.

- b. The Amalgamation is expected to achieve business synergies and is expected to enable carrying on the businesses more economically.
 - c. The Amalgamation is intended to rationalize the business operations and activities, to utilize the potential for growth and diversification and for better optimization of costs and resources.
 - d. The Amalgamation would result in consolidation to enable better and more efficient management and more opportunities to vigorously pursue growth and expansion.
6. It is stated that the Board of Directors of the Transferor Company and the Transferee Company, in their meetings held on 02.01.2023 and 20.12.2022, respectively, have considered and unanimously approved the Scheme subject to the sanction of the same by this Tribunal. The copies of the Board Resolutions of the Transferor Company and the Transferee Company are attached as Annexure-4 and Annexure-5 respectively of the Application.
7. The appointed date of the Scheme is 01.04.2022 as defined in Part-A Clause 1.03 of Scheme of Amalgamation which is attached as Annexure- 3 with the Application.
8. It is stated that the Transferor Company has filed audited financial statements as on 31 March 2022 and unaudited financial statements as on 31 December 2022 as Annexure-11. It is further stated that the Transferee Company has filed audited financial statements as on 31 March 2022 and unaudited financial statements as on 31 December 2022 as Annexure-12.

10. It is further submitted that the valuation reports have been submitted by Mr. Subodh Kumar, an Independent Registered Valuer, bearing Registration No. IBBI/RV/05/2019/11705, which are attached as Annexure-6 of the Application. As per the said valuation reports dated 17.12.2022, the following share exchange ratio has been proposed in the Scheme:-

“For 2.426 shares of the Transferor Company, the Transferor Member shall be issued 1 (One) Equity Share of the Transferee Company.”

11. It is deposed by way of affidavits furnished by authorised signatories of the Applicant Companies that the Application with respect to the Scheme sets out all material facts under Section 230(2)(b) and 230(2)(c) of the Act relating to the Applicant Companies, and that the latest audited accounts of the Applicant Companies as on 31 March 2022 have been filed. Further, there are no material investigations or proceedings pending against the Applicant Companies under the Companies Act, 2013 or any other provision of law which have a material adverse effect on the sanction of the Scheme. There are no material legal proceedings against the Applicant Companies under applicable laws that adversely impact the sanction of the Scheme (Annexure-16 of the Application).

12. It is deposed by way of affidavits furnished by authorised signatories of the Applicant Companies that notice of the Scheme is to be issued and sent only to the following statutory authorities: 1) the Regional Director, Northern Region, Ministry of Corporate Affairs, 2) the Jurisdictional Registrar of Companies, 3) the Income Tax Department through the Nodal Officer – Principal Commissioner of Income Tax, and 4) the Official Liquidator. Besides the above-mentioned authorities, there are no other sectoral regulators/authorities pertaining to the Applicant Companies (Annexure-18 of the Application).

13. It is submitted that in the present Scheme of Amalgamation that the do not involve the reduction of share capital in terms of Section 66 of the Companies Act, 2013 and that the Scheme does not provide for any arrangement with the outside creditors and thus thereby Corporate Debt restructuring is not applicable to the Scheme.

14. The authorized signatory of Applicant Company has stated that there are no investigations or proceedings of any manner before any authority including under Sections 210 & 226 of the Companies Act, 2013. The relevant paras for the same at Para No. 40 and 41 of the application at Page No. 44.

15. The Applicant Company have furnished the following documents:-

- i. Proposed Scheme of Amalgamation (Annexure 3 with the application).
- ii. Certificate of Incorporation along with Memorandum and Articles of Association of the Applicant Companies (Annexure 1 and 2 with the Application).
- iii. List of Equity Shareholders of the Applicant Companies duly certified by Swati A Gupta & Associates, Chartered Accountants as on 09.02.2022 (Annexure 7 and 9 with the Application).
- iv. List of Secured and Unsecured Creditors dated 19.09.2022 of the Applicant Company duly certified by Swati A Gupta & Associates, Chartered Accountants (Annexure 8 and 10 with the Application).
- v. Certificate by the Statutory Auditor to the effect that the Accounting treatment proposed in the Scheme is in conformity with Section 133 of the Companies Act, 2013 (Annexure 13 with the Application).

- vi. Audited Financial Statement for financial year 2021-2022 of the Applicant Companies (Annexure 11 and Annexure 12 with the Application).
- vii. Unaudited Financial Statements for the period ended on 30.09.2022 of the Applicant Company (Annexure 11 and Annexure 12 with the Application).
- viii. Affidavits of sectoral regulators of the Applicant Companies (Annexure 18 with the Application).
- ix. Affidavit with regard to no legal proceedings pending against the Applicant Companies (Annexure 17 with the Application).

15. The Transferor Company/ Applicant Company No. 1 i.e. Suchalis Confectionery Private Limited was incorporated under the provisions of the Companies Act, 1956 on 27.09.2018 bearing CIN U15490HR2018PTC076091 with the Registrar of Companies Delhi & Haryana and The Transferee Company/ Applicant Company No. 2 i.e. Muhavra Enterprises Private Limited was incorporated under the provisions of the Companies Act, 1956 on 26.09.2012 bearing CIN U15492HR2012PTC047234 with the Registrar of Companies Delhi & Haryana.

16. The Applicant Companies have furnished the details of the Equity Shareholders, Secured Creditors and Unsecured Creditors which are as follows:

Name of the Applicant Companies	Shareholders along with their consent on affidavit				Creditors along with their consents on affidavit			
	Equity Shareholders	Consents submitted on affidavits	Preference Shareholders	Consents submitted on affidavits	Secured Creditors	Consents submitted on affidavits	Unsecured Creditors	Consents submitted on affidavits

Applicant Company No. 1	4	Meetings to be convened	NA	NA	INR 1,52,05,445/- in value	Meetings to be convened	INR 51,44,921/- in value	Meetings to be convened
Applicant Company No. 2	15	Meetings to be convened	79	Meetings to be convened	INR 20,17,38,129/- in value	Meetings to be convened	INR 5,19,62,349/- in value	Meetings to be convened

17. Accordingly, the directions of this Bench in the present case are as under:

I. In relation to Applicant Company No.1/Transferor Company:

- a. The meeting of the Equity Shareholders of the Applicant Company No.1/Transferor Company No.1 be convened as prayed for on 22.07.2023 (Saturday) at 03:30 PM through Video Conferencing with facility of remote e-voting, subject to notice of the meeting being issued. The quorum of the meeting of the Equity Shareholders shall be 2 in number or 40% in value of the Equity Shareholders;
- b. The meeting of the Secured Creditors of the Applicant Company No.1/Transferor Company No.1 be convened as prayed for on 22.07.2023 (Saturday) at 10:30 AM through Video Conferencing with facility of remote e-voting, subject to notice of the meeting being issued. Although, the total no. of Secured Creditors is not mentioned in the list attached as Annexure 8. Therefore, the quorum of the meeting of the Secured Creditors shall be 40% in value of the Secured Creditors;
- c. The meeting of the Unsecured Creditors of the Applicant Company No.1/Transferor Company No.1 be convened as prayed for on 22.07.2023 (Saturday) at 01:00 PM through Video Conferencing with facility of remote e-voting, subject to notice of the meeting being

issued. Although, the total no. of Unsecured Creditors is not mentioned in the list attached as Annexure 8. Therefore, the quorum of the meeting of the Unsecured Creditors shall be 40% in value of the Unsecured Creditors;

II. In relation to Applicant Company No.2/Transferee Company:

- a. The meeting of the Equity Shareholders and all categories of Preference Shareholders of the Applicant Company No.2/Transferee Company be convened as prayed for on 23.07.2023 (Sunday) at 03:30 PM through Video Conferencing with facility of remote e-voting, subject to notice of the meeting being issued. The quorum of the meeting of the Equity Shareholders shall be 38 in number or 40% in value of the Equity Shareholders ;
- b. The meeting of the Secured Creditors of the Applicant Company No.2/Transferee Company be convened as prayed for on 23.07.2023 (Sunday) at 10:00 AM through Video Conferencing with facility of remote e-voting, subject to notice of the meeting being issued. Although, the total no. of Secured Creditors is not mentioned in the list attached as Annexure 10. Therefore, the quorum of the meeting of the Secured Creditors shall be 40% in value of the Secured Creditors;
- c. The meeting of the Unsecured Creditors of the Applicant Company No.2/Transferee Company be convened as prayed for on 23.07.2023 (Sunday) at 01:00 PM through Video Conferencing with facility of remote e-voting, subject to notice of the meeting being issued. Although, the total no. of Unsecured Creditors is not mentioned in the list attached as Annexure 10. The quorum of the meeting of the

Unsecured Creditors shall be 40% in value of the Unsecured Creditors;

- III. In case the required quorum as noted above for the meetings is not present at the commencement of the meeting, the meeting shall be adjourned by 30 minutes and thereafter the persons present and voting shall be deemed to constitute the quorum.
- IV. Mr Raghu Nayyar, Former Member (Technical) NCLT, Chairperson, address: A45 Retreat Apartments, Plot No. 20, IP Extension, New Delhi - 110092, Mobile No. 9811066745, Email id: raghunayyar@yahoo.com is appointed as the Chairperson for the meetings to be called under this order. An amount of ₹ 2,00,000/- (Rupees Two lakhs Only) be paid for his services as the Chairperson.
- V. Ms.Ekakhra Mandhar, Advocate, address: House Number-1081, Sector-8,Chandigarh, Mobile No. 9814166666, e-mail id: Ekakhra@amcpro.in, is appointed as the Alternate Chairperson for the meetings to be called under this order. An amount of ₹1,25,000/- (Rupees One Lakh Twenty Five Thousand Only) be paid for her services as the Alternate Chairperson.
- VI. Mr. Salil Yadav,Chartered Accountant, address: SCO 13 (2nd Floor) Industrial Area, Phase-9, Mohali-160062, Mobile No.7814036887, email id: casalilyadav@gmail.com, is appointed as the Scrutinizer for the above meetings to be called under this order. An amount of ₹1,00,000/- (Rupees One Lakh Only) be paid for his services as the Scrutinizer.

- VII.** The fee of the Chairperson, Alternate Chairperson and Scrutinizer and other out-of-pocket expenses for them shall be borne by Applicant Company jointly. It is further directed that along with the notices, Applicant Companies shall also send, statements explaining the effect of the scheme on the creditors, key managerial personnel, promoters and non-promoter members, etc. along with the effect of the scheme of amalgamation on any material interests of the Directors of the Company or the debenture trustees if any, as provided under sub-section (3) of Section 230 of the Act.
- VIII.** It is also directed that the Provisional Account statements of Applicant Companies as on 31.12.2022 or as on a subsequent date be also circulated for the aforesaid meeting(s) in terms of Section 232 (2) (e) of the Act.
- IX.** That the Applicant Companies shall publish an advertisement with a gap of at least 30 clear days before the aforesaid meeting, indicating the day, date and place and time of the meeting as aforesaid, to be published in “Financial Express” (English) and “Jansatta” (Hindi), both in Delhi NCR Edition. The publication shall also indicate that the explanatory statement required to be furnished pursuant to Sections 230 & 232 read with Section 102 of the Companies Act, 2019 can be obtained free of charge at the registered office of the Applicant Companies. Applicant Companies shall also publish the notice on its website if any.
- X.** Voting shall be allowed on the “Scheme” through electronic means which will remain open for a period as mandated under Clause 8.3 of Secretarial Standards on General Meetings to the Applicant Companies under the Act and the Rules framed thereunder.

- XI.** The Scrutinizer's report will contain his/her findings on compliance to the directions given in Para VIII to X above.
- XII.** The Chairperson shall be responsible to report the result of the meeting to the Tribunal in Form No. CAA-4, as per Rule 14 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 within 7 (seven) days of the conclusion of the meeting. The Chairperson would be fully assisted by the authorized representative/Company Secretary of the Applicant Companies and the Alternate Chairperson. The Scrutinizer will assist the Hon'ble Chairperson and Alternate Chairperson in preparing and finalizing the report.
- XIII.** The Applicant Companies shall individually and in compliance with sub-section (5) of Section 230 of the Act and Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 send notices in Form No. CAA-3 along with copy of the Scheme, Explanatory Statement and the disclosures mentioned in Rule 6 of the "Rules" to (i) Central Government through the Regional Director (Northern Region), Ministry of Corporate Affairs, New Delhi; (ii) Jurisdictional Registrar of Companies; (iii) the Official Liquidator; (iv) Income Tax Department through the Nodal Officer – Principal Commissioner of Income Tax, NWR, Aayakar Bhawan, Sector 17-E, Chandigarh mentioning the PAN number of the Applicant Companies; and to such other Sectoral Regulator(s) governing the business of the Applicant Companies, if any, stating that report on the same, if any, shall be sent to this Tribunal within a period of 30 days from the date of receipt of such notice and copy of such report shall be

simultaneously sent to the applicant companies, failing which it shall be presumed that they have no objection to the proposed Scheme.

- XIV.** The Applicant Companies shall furnish a copy of the Scheme free of charge within one day of any requisition for the Scheme made by any creditor or member/shareholder entitled to attend the meeting as aforesaid.
- XV.** The authorized representative of Applicant Companies shall furnish an affidavit of service of notice of meeting and publication of advertisement and compliance of all directions contained herein at least a week before the proposed meeting.
- XVI.** All the aforesaid directions are to be complied with strictly in accordance with the applicable laws including forms and formats contained in the Rules as well as the provisions of the Companies Act, 2013 by the Applicant Companies

18. With the aforesaid directions, this First Motion Application is allowed with liberty to Applicant Companies to file Second Motion Petition. A copy of this order be supplied to the learned counsel for the Applicant Company who in turn shall supply a copy of the same to the Chairperson, Alternate Chairperson and the Scrutinizer immediately.

Sd/-
(Subrata Kumar Dash)
Member (Technical)

Sd/-
(Harnam Singh Thakur)
Member (Judicial)

May 30, 2023
SA/VN

BETWEEN

MUHAVRA ENTERPRISES PRIVATE LIMITED

AND

SUCHALIS CONFECTIONERY PRIVATE LIMITED

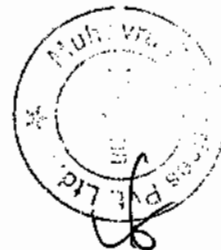
AND

THEIR RESPECTIVE SHAREHOLDERS

AND

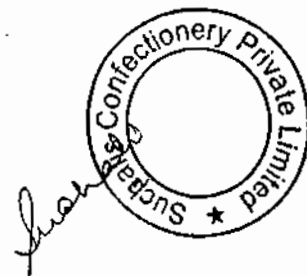
THEIR RESPECTIVE CREDITORS

UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013



1. SUCHALIS CONFECTIONERY PRIVATE LIMITED (the "Transferor Company") is a private limited company incorporated under the Companies Act, 2013 on 27th September 2018, bearing CIN U15490HR2018PTC076091, and having its registered office presently at Plot No-321, Udyog Vihar Phase-2, Sector-20, Gurgaon - 122016, India, that is engaged *inter alia* in the business of creating naturally leavened sourdough breads and baked goods of the finest quality in (i) Delhi-NCR, (ii) Kolkata, and (iii) Mumbai.
2. MUHAVRA ENTERPRISES PRIVATE LIMITED (the "Transferee Company") is a private limited company incorporated under the Companies Act, 1956 on 26th September 2012, bearing CIN U15492HR2012PTC047234, and having its registered office presently at D-173, Sushant Lok I, Gurgaon - 122002, India, that is engaged *inter alia* in manufacturing, processing, distributing, marketing and selling goods related to specialty food and beverage products, including, but not limited to coffee products (beverages, roasted beans, coffee powder and coffee products), chocolate products and mushrooms, and providing services such as saleable drinks in a kiosk format or via delivery for personal and commercial use, and any other business that may be conducted from time to time, throughout India and overseas.
3. The Amalgamation pursuant to this Scheme shall take place with effect from the Appointed Date and shall be in accordance with the provisions of Section 2(1B) of the Income Tax Act, 1961.
4. The Boards of Directors of the Transferor Company and the Transferee Company believe that it will be mutually beneficial for the Transferor Company to merge into the Transferee Company as their businesses are complementary to each other and the Amalgamation will help them rationalize various functions. To this effect the Transferor Company, Transferee Company and Transferor Members have entered into an Amalgamation Framework Agreement dated January 11, 2023 ("AMA").
5. Considering the above factors, this scheme of arrangement ("the Scheme") is presented under Sections 230 to 232 of the Act and other applicable provisions of the Act (including any statutory modification or re-enactment or amendment thereof) as an integrated Scheme which provides for:
 - (a) Amalgamation of the Transferor Company into the Transferee Company without winding up, and
 - (b) Reorganization of the share capital of Transferee Company,

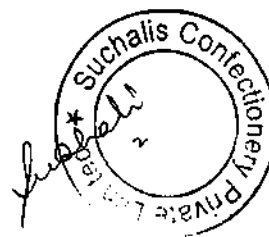
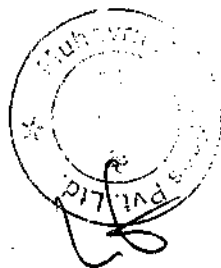
so as to become effective upon the Scheme being sanctioned by the Tribunal (*as defined hereafter*). Upon completion of the said Amalgamation, the Transferee Company would *inter-alia* carry on the business of the Transferor Company.



The Board of Directors of both the Transferor Company and the Transferee Company have considered that the Scheme involving amalgamation of the Transferor Company into the Transferee Company and reorganization of share capital of the Transferee Company would *inter-alia* have the following benefits:

- (a) The Amalgamation is expected to achieve cost savings from more focused operational efforts, rationalization and standardization of business processes by way of consolidation.
- (b) The Amalgamation is expected to achieve business synergies and is expected to enable carrying on the businesses more economically.
- (c) The Amalgamation is intended to rationalize the business operations and activities, to utilize the potential for growth and diversification and for better optimization of costs and resources.
- (d) The Amalgamation would result in consolidation to enable better and more efficient management, and more opportunities to vigorously pursue growth and expansion.

[Intentionally left blank]



The Scheme is divided into the following parts:

1. **Part A - Dealing with definitions and capital structure;**
2. **Part B - Dealing with the Amalgamation of the Transferor Company (Suchalis Confectionery Private Limited) with the Transferee Company (Muhavra Enterprises Private Limited); and**
3. **Part C - General Terms and Conditions.**

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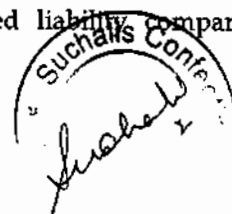


DEFINITIONS AND CAPITAL STRUCTURE

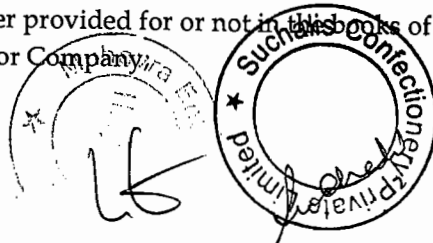
1. DEFINITIONS

In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meaning:

- 1.01 "Act" means the Companies Act, 2013, and the rules and regulations made thereunder and shall include any statutory modifications, re-enactment or amendment thereof.
- 1.02 "Amalgamation" means the amalgamation of Transferor Company into Transferee Company in accordance with this Scheme and in accordance with Section 2(1B) of the Income Tax Act, 1961.
- 1.03 "Appointed Date" means April 01, 2022 or such other date as may be modified, upon mutual considerations and acceptance, by the Board of Directors of the Transferor Company and the Transferee Company, and / or being such date as may be approved by the Tribunal.
- 1.04 "Board of Directors" in relation to each of the Transferor Company and Transferee Company, as the case may be, means the board of directors of the relevant company.
- 1.05 "Consideration Shares" means such number of Equity Shares being issued to the Transferor Members as consideration for the Amalgamation as set out in detail in Clause 17.
- 1.06 "Effective Date" shall be the date on which a certified copy of the order sanctioning the Scheme passed by the Tribunal is filed with the Registrar of Companies.
- 1.07 "Equity Shares" means the equity shares of the Transferee Company having a face value of INR 10/- (Indian Rupees Ten) each.
- 1.08 "Fully Diluted Basis" shall mean the basis of calculation of share capital assuming deemed conversion of any share, security, or other convertible instrument into Equity Shares in accordance with the provisions of applicable Law and in accordance with the terms of issue of such share, security, note, option, warrant, or instrument as of the relevant date.
- 1.09 "Governmental Authority" means: (a) any national or state government or any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, (b) any public international organisation, or other political subdivision or other government, governmental, regulatory or administrative authority, agency, board, bureau, department, instrumentality or commission or any court, tribunal, judicial or arbitral body of competent jurisdiction or stock exchange, (c) any agency, division, bureau, department or other sector of any government, entity or organisation described in the foregoing sub clause (a) or (b) of this definition, or (d) any company, business, enterprise or other entity owned or controlled by any government, entity, organisation described in the foregoing clauses (a), (b) or (c) of this definition.
- 1.10 "INR" or "Rupees" means the lawful currency of the Republic of India.
- 1.11 "Laws" includes (but is not limited to) all applicable:
- statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, by-laws, regulations, listing agreements, notifications, guidelines, circulars, schemes or policies of any applicable country and/or jurisdiction;
 - administrative interpretation, writ, injunction, directions, directives, judgment, arbitral award, decree, orders or governmental approvals of, or agreements with, any Governmental Authority; and
 - international treaties, conventions and protocols; as may be in force from time to time.
- 1.12 "Person" means any natural person, limited or unlimited liability company, corporation,



- 1.13 "Record Date" means a date to be fixed by the Board of Directors of the Transferor Company, being a date post sanction of the Scheme but before the Effective Date, and which shall thereafter be intimated to the Board of Directors of the Transferee Company. The Record Date shall be a date no later than 7 (Seven) days following the sanction of the Scheme.
- 1.14 "Registrar of Companies" or "RoC" means the registrar of companies, Delhi.
- 1.15 "Sanction of the Scheme" means the order of the Tribunal sanctioning the Scheme.
- 1.16 "Scheme" or "the Scheme" or "this Scheme" means this scheme of arrangement in its present form or with any modification(s) made under Clause 24 of this Scheme as approved or directed by the Tribunal or any other appropriate authority.
- 1.17 "Taxes" means and includes without limitation all taxes (Indian, and where applicable, non-Indian), including income tax, dividend distribution tax, minimum alternate tax, capital gains tax, fringe benefit tax, equalization levy, sales tax, GST, value added tax, excise duty (including, without limitation, central and state excise), customs duty, local body tax, octroi, entry tax, wealth tax, gift tax, stamp duty, any tax in relation to collection, gains, franchise, property (whether immovable or movable), use, employment, license, imposts, payroll, occupation, transfer taxes, governmental charges, fees, charges, deductions or withholdings by whatever name they are called in the nature of tax, levies, statutory gratuity and provident fund payments or other employment benefit plan contributions and similar charges of any jurisdiction and shall include any interest, fines, penalties related thereto and, with respect to such taxes, any estimated tax, penalties and interest on such penalties, "Tax" and "Taxation" shall be construed accordingly.
- 1.18 "Transferor Company Undertaking" means all the undertakings and entire business of the Transferor Company as a going concern, including all assets and liabilities and without limitation:
- (i) all the assets and properties (whether movable or immovable, tangible or intangible, real or personal, in possession or reversion, corporeal or incorporeal, present, future or contingent of whatsoever nature) of the Transferor Company, without limitation, all capital work-in-progress, furniture, fixtures, office equipment, computers, machines, appliances, accessories, power lines, stocks, current assets (including inventories, sundry debtors, bills of exchange, loans and advances), investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates), cash and bank accounts (including bank balances), contingent rights or benefits, benefits of any deposits, earnest monies, receivables, advances or deposits paid by or deemed to have been paid by the Transferor Company, financial assets, benefit of any bank guarantees, performance guarantees and letters of credit, leases (including lease rights), rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad;
 - (ii) all debts, borrowings, obligations, duties and liabilities, both present and future (including deferred tax liabilities, contingent liabilities and the liabilities and obligations under any licenses or permits or schemes) of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized, whether secured or unsecured, whether in Rupees or foreign currency, whether provided for or not in the books of accounts or disclosed in the balance sheet of the Transferor Company



(iii) all permits, quotas, rights, entitlements, industrial and other licences, bids, tenders, letters of intent, expressions of interest, development rights (whether vested or potential and whether under agreements or otherwise), municipal permissions, approvals, consents, subsidies, privileges, income tax benefits and exemptions in respect of the profits of the undertakings of the Transferor Company for the residual period, i.e., for the period remaining as on the Appointed Date out of the total period for which the benefit or exemption is available in Law if the Amalgamation pursuant to this Scheme does not take place;

(iv) all trade and service names and marks, formula, recipe, patents, copyrights, designs and other intellectual property rights of any nature whatsoever, technologies, software, books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programmes, manuals, data, catalogues, quotations, sales and advertising material, lists of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Company; and

(v) all employees engaged by the Transferor Company as on the Effective Date.

1.19 "Transferor Members" is a collective reference to Mrs. Suchali Jain, Mrs. Mitali Singh and White Whale Venture Fund.

1.20 "Tribunal" means, the Honourable National Company Law Tribunal located at Chandigarh, India.

1.21 The words or expressions elsewhere defined in the Scheme will have the meaning(s) respectively ascribed thereto. The words or expressions not defined in this Scheme, unless repugnant or contrary to the context or meaning hereof, have the meaning ascribed to them under the articles of association of the Transferor Company or Transferee Company, as the case may be, or the Act, and/or other applicable Laws, rules, regulations, bye-laws, as the case may be, or any statutory modification or re-enactment thereof from time to time.

1.22 Any reference in this Scheme to the words "upon the Scheme becoming effective" or "effectiveness of this Scheme" or "date of coming into effect of the Scheme" or "Scheme coming into effect" shall mean the Effective Date.

2. SHARE CAPITAL

2.01 The Share Capital structure of the Transferor Company as on January 27, 2023 is as follows:

Particulars	Amount (in INR)
<u>Authorised</u>	
15,000 equity shares of INR 10/- each;	INR 1,50,000/-
<u>Issued, subscribed</u>	
10,142 equity shares of INR 10/- each	INR 1,01,420/-
<u>Paid up</u>	
10,142 equity shares of INR 10/- each	INR 1,01,420/-

2.02 The Share Capital structure of the Transferee Company as on February 13, 2023 is as follows:

Particulars	Amount (in INR)
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Muhavara
LF

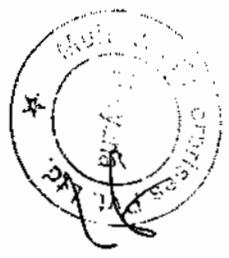
Suchalis Confectionery Private Limited
Suchalis

Authorised 2,20,000 equity shares of INR 10/- each; 50,000 preference shares of INR 10/- each; 25,000 preference shares of INR 1000/- each	INR 2,77,00,000/-
Issued, subscribed 15,766 equity shares of INR 10/- each 16,960 preference shares of INR 10/- each 9,799 preference shares of INR 1000/- each	INR 1,01,26,260/-
Paid up 15,766 equity shares of INR 10/- each 16,960 preference shares of INR 10/- each 9,300 preference shares of INR 1000/- each	INR 96,27,260/-

3. **DATE OF TAKING EFFECT AND EFFECTIVE DATE**

3.01 The Scheme set out herein in its present form or with any modification(s) and amendment(s) made under Clause 24 of the Scheme shall be effective from the Appointed Date but shall be operative from the Effective Date.

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AMALGAMATION OF TRANSFEROR COMPANY (SUCHALIS CONFECTIONERY PRIVATE LIMITED) INTO TRANSFEREE COMPANY (MUHAVRA ENTERPRISES PRIVATE LIMITED)

4. The Amalgamation under this Scheme will be effected under the provisions of Sections 230 to 232 of the Act. The Amalgamation complies with the provisions of Section 2(1B) of the Income-tax Act, 1961 such that as on Effective Date:
- all the property/assets of the Transferor Company before the Amalgamation becomes the property of Transferee Company by virtue of the Amalgamation;
 - all the liabilities of Transferor Company before the Amalgamation become the liabilities of Transferee Company by virtue of the Amalgamation; and
 - shareholders in the Transferor Company become shareholders of the Transferee Company by virtue of the Amalgamation as provided for in this Scheme in the manner set out herein.

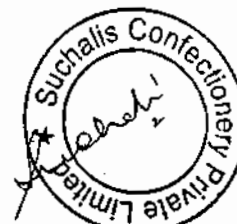
5. **BOARD APPROVAL**

- 5.01 The Scheme for the Amalgamation of the Transferor Company with the Transferee Company was approved and recommended by the Board of Directors of the Transferor Company at their meeting held on January 02, 2023, and a decision was taken to file the application before the Tribunal, for obtaining the necessary orders under Section 230-232 of the Act. The copy of such resolution passed by the Board of Directors of the Transferor Company dated January 02, 2023, approving this Scheme of Amalgamation is annexed and marked as Annexure- '1'.
- 5.02 The Scheme for the Amalgamation of the Transferor Company with the Transferee Company was approved and recommended by the Board of Directors of the Transferee Company at their meeting held on December 20, 2022, and a decision was taken to file the application before the Tribunal, for obtaining the necessary orders under Section 230-232 of the Act. The copy of the resolution passed by the Board of Directors of the Transferee Company dated December 20, 2022, approving this Scheme of Amalgamation is attached and marked as Annexure- '2'.

6. **TRANSFER OF ASSETS**

- 6.01 Upon the coming into effect of this Scheme, pursuant to the sanction of this Scheme by the Tribunal and pursuant to the provisions of Sections 230 to 232 of the Act and other applicable provisions, if any, of the Act, all assets of the Transferor Company Undertaking shall be and stand vested in or be deemed to have been vested in the Transferee Company, as a going concern without any further act, instrument, deed, matter or thing so as to become, as and from the Appointed Date, the undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.
- 6.02 The transfer and vesting as aforesaid shall be subject to the existing charges/hypothecation/mortgages, if any, as may be subsisting and agreed to be created over or in respect of the said assets or any part thereof, provided however, any reference in any security documents or arrangements to which the Transferor Company is a party wherein the assets of the Transferor Company have been or are offered or agreed to be offered as security for any financial assistance or obligations shall be construed as reference only to the assets pertaining to the Transferor Company and vested in the Transferee Company by virtue of this Scheme to the end and intent that the charges shall not extend or deemed to extend to any assets of the Transferee Company.
- 6.03 Provided that the Scheme shall not operate to enlarge the security for the said liabilities of the Transferor Company which shall vest in the Transferee Company by virtue of the Scheme and the Transferee Company shall not be obliged to create any further, or additional security thereof after the Effective Date or otherwise. The transfer/vesting of the assets of the Transferor Company as aforesaid shall be subject to the existing charges/hypothecation/mortgages over or in respect of the assets or any part thereof of the Transferor Company.

7. **TRANSFER OF LIABILITIES**



7.01 With effect from the Appointed Date, all debts, liabilities, contingent liabilities, trade payables, duties and obligations of the Transferor Company shall also, without any further act, instrument or deed be transferred to and vested in and assumed by and/or deemed to be transferred to and vested in and assumed by the Transferee Company pursuant to the provisions of Sections 230 to 232 of the Act, so as to become the liabilities of the Transferee Company and further that it shall not be necessary to intimate or obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such liabilities have arisen, in order to give effect to the provisions of this Clause.

7.02 Where any such debts, loans raised, liabilities, duties and obligations of the Transferor Company as on the Appointed Date have been discharged or satisfied by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge or satisfaction shall be deemed to be for and on account of the Transferee Company.

7.03 All loans raised and utilized and all liabilities, duties and obligations incurred or undertaken by the Transferor Company in the ordinary course of business after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon coming into effect of this Scheme and in terms of the provisions of the Act, without any further act, instrument or deed be and stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company and shall become the loans and liabilities, duties and obligations of the Transferee Company which shall meet, discharge and satisfy the same.

8. LEGAL PROCEEDINGS

8.01 All the legal proceedings of whatsoever nature by or against the Transferor Company pending and/or arising at or after the Appointed Date with respect to its properties, assets, debts, liabilities, duties and obligations, shall be continued and/or enforced (as applicable) until the Effective Date against the Transferor Company only. From the Effective Date, such proceeding shall be continued and enforced by or against the Transferee Company in the manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company.

8.02 In case of any litigation, suits, recovery proceedings which are to be initiated or may be initiated against the Transferor Company after the Appointed Date, the Transferee Company shall be made party thereto and any payment and expenses made thereto shall be the liability of the Transferee Company after the Appointed Date.

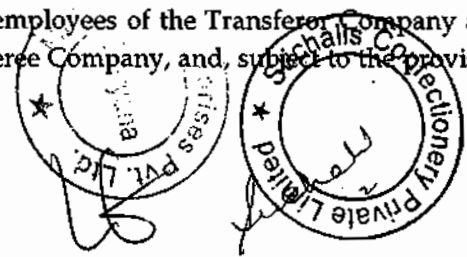
9. APPOINTED DATE

9.01 All debts, liabilities, contingent liabilities, duties and obligations of the Transferor Company, as on the Appointed Date, whether provided for or not in the books of accounts of the Transferor Company and all other liabilities which may accrue or arise after the Appointed Date but which relates to the period on or up to the day of the Appointed Date shall be the debts, liabilities, duties and obligations of the Transferee Company including any encumbrance on the assets of the Transferor Company or on any income earned from those assets.

9.02 The Scheme does not cause any prejudice to the creditors of the Transferee Company. Further, the creditors of the Transferee Company are also in no way affected as there is no reduction in the amount payable to any of the creditors, no compromise or arrangement is contemplated with the creditors and there is no significant reduction in the security, which the creditors may have in the Transferee Company. Further, the proposed Scheme would not in any way adversely affect the ordinary operations of the Transferee Company or the ability of the Transferee Company to honor its commitments or to pay its debts in the ordinary course of business.

10. TRANSFER OF EMPLOYEES

10.01 Upon the Scheme coming into effect, all employees of the Transferor Company as on such date shall become the employees of the Transferee Company, and, subject to the provisions hereof, on



- 10.02 The Transferor Company further agrees that for the purpose of payment of any retirement benefit/compensation, such immediate uninterrupted past services with the Transferor Company shall also be taken into account.
- 10.03 Upon the Scheme coming into effect, the accounts of the employees, who are employed by the Transferor Company, relating to the provident fund, employee state insurance, gratuity fund and pension and/or superannuation fund and any other fund for the benefit of the employees of the Transferor Company, shall be identified, determined and transferred to the respective funds of the Transferee Company and the employees shall be deemed to have become members of such trusts/funds of the Transferee Company.

11. STATUTORY LICENSES, PERMISSIONS, APPROVALS

- 11.01 With effect from the Appointed Date and upon the Effective Date, all statutory licences, patents, permissions, approvals, copyrights, trademarks, authorisations or consents to carry on the operations and business of the Transferor Company shall stand vested in or transferred to the Transferee Company without any further act or deed and shall be appropriately mutated by the statutory authorities concerned in favour of the Transferee Company. The benefit of all statutory and regulatory permissions, environmental approvals and consents, patents, authorisations, registrations or other licences and consents shall vest in and become available to the Transferee Company pursuant to this Scheme. In so far as the various incentives, subsidies, rehabilitation schemes, special status and other benefits or privileges enjoyed, granted by any government body, local authority or by any other person, or availed of by the Transferor Company, are concerned, the same shall vest with and be available to the Transferee Company on the same terms and conditions.

12. CONTRACTS, DEEDS, ETC.

- 12.01 Subject to the other provisions of this Scheme, all contracts, deeds, bonds, memorandum of understandings, non-disclosure agreements, response to request for proposal or request for information, insurance, letters of intent, agreements, arrangements and other instruments, if any, of whatsoever nature relating to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall be in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced by or against the Transferee Company as fully and eventually as if, instead of the Transferor Company, the Transferee Company had been a party thereto. The Transferee Company shall enter into and/or issue and/or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required. Further, the Transferee Company shall be deemed to be authorized to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.
- 12.02 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the Amalgamation coming into effect on the Effective Date, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company in relation to the Transferor Company Undertaking shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company. The Transferee Company shall make applications to relevant Governmental Authority as may be necessary in this regard.



13. TAX

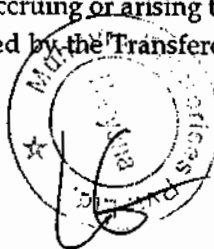
- 13.01 All taxes payable by the Transferor Company and the benefits/ credits of taxes available to the Transferor Company, upto the Appointed Date, including all or any refunds and claims shall, for all purposes, be treated as the tax liabilities or refunds and claims of the Transferee Company.
- 13.02 Upon the Effective Date, the Transferee Company is expressly permitted to revise its income tax returns, carry forward losses from the Transferor Company and to claim refunds, advance tax and withholding tax credits, etc., pursuant to the provisions of this Scheme and the Income Tax Act, 1961 and any amendments thereto.
- 13.03 Upon the Effective Date, the Transferee Company is also expressly permitted to claim refunds/credits on account of income-tax, Goods & Service Tax (GST) and other taxes in accordance with the rules prescribed in the relevant legislations.
- 13.04 All taxes paid or payable by the Transferor Company in respect of the operations and/or the profits of the business on and from the Appointed Date, shall be on account of the Transferee Company and, insofar as it relates to the payment of such taxes, whether by way of deduction/ collection at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly. The relevant authorities shall be bound to transfer to the account of and give credit for the same to the Transferee Company upon the passing of the orders on this Scheme by the Tribunal upon relevant proof and documents being provided to the said authorities.
- 13.05 The Transferee Company shall be entitled to claim and be allowed credit or benefits of all tax deduction certificates, advance tax, self-assessment tax or other tax payments, credits or drawbacks or any other credit or benefit of any tax, duty, cenvat, GST, incentive etc. relating to the Transferor Company, notwithstanding that such certificates or challans or any other documents for tax payments or credits/benefits etc. may have been issued or made in the name of the Transferor Company. Such credit/ benefit shall be allowed without any further act or deed by the Transferee Company or the need for any endorsements on such certificates, challans, documents etc. to be done by the issuers or any authority. Further any taxes paid, and taxes deducted at source and deposited by the Transferee Company on inter se transactions during the period between the Appointed Date and the Effective Date shall be treated as advance tax paid by the Transferee Company and shall be available to the Transferee Company for set-off against its liability under the Income Tax Act, 1961 and excess tax so paid shall be eligible for refund together with applicable interest.
- 13.06 Upon the Scheme coming into effect, all deductions related to Taxes otherwise admissible to Transferor Company including payment admissible on actual payment or on deduction of appropriate Taxes or on payment of tax deducted at source (such as under Section 43B, Section 40, Section 40A, etc. of the Income Tax Act, 1961) shall be eligible for deduction to the Transferee Company upon fulfilment of the required conditions under applicable Tax Law.
- 13.07 Upon the Scheme becoming effective, any Tax Deducted at Source ("TDS") deposited, TDS certificates issued, or TDS returns filed by the Transferor Company shall continue to hold good as if such TDS amounts were deposited, TDS certificates were issued, and TDS returns were filed by the Transferee Company. Any TDS deducted by, or on behalf of the Transferor Company on inter se transactions will be treated as advance tax deposited by the Transferee Company.
- 13.08 Any refund under the Tax Laws due to the Transferor Company consequent to the assessments made on Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company. The relevant authorities shall be bound to transfer to the account of and give credit for the same to Transferee Company upon the passing of the orders on this Scheme by the Tribunal upon relevant proof and documents being provided to the said authorities.



- 13.09 Since each of the permissions, approvals, consents, sanctions, remissions, special reservations, goods and service tax exemptions, incentives, concessions and other authorizations of **49** Transferor Company shall stand transferred by the order of the Tribunal to the Transferee Company, the Transferee Company shall file the relevant intimations, for the record of the statutory/tax authorities who shall take them on file, pursuant to Tribunals vesting orders.
- 13.10 All Tax assessment proceedings / appeals of whatsoever nature by or against the Transferor Company pending and/or arising at the Appointed Date shall be continued and/or enforced until the Effective Date as desired by the Transferor Company. As and from the Effective Date, the Tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company. Further, the aforementioned proceedings shall neither abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company with the Transferee Company or anything contained in the Scheme.
- 13.11 This Scheme has been drawn up to comply with the conditions relating to "Amalgamation" as specified under the tax Laws, including section 2(1B) and other relevant sections of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the tax laws shall prevail. The Scheme shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will however not affect other parts of the Scheme. The power to make such amendments as may become necessary shall vest with the Board of Directors of the Transferor Company and / or the Transferee Company, as the case may be, which power shall be exercised reasonably in the best interests of the companies concerned.
- 13.12 Without prejudice to the generality of the above, all benefits including under applicable Tax Laws including with respect to income tax, GST, sales tax, excise duty, customs duty, service tax, VAT, etc., to which the Transferor Company is entitled to in terms of the applicable Tax Laws of the Union and State Governments, shall be available to and vest in the Transferee Company.

14. CONDUCT OF BUSINESS UNTIL EFFECTIVE DATE

- 14.01 With effect from the Appointed Date and up to and including the Effective Date:
- (a) The Transferor Company shall carry on and be deemed to have been carrying on its business and activities and shall stand possessed of and hold all of its properties and assets for and on account of and in trust for the Transferee Company. The Transferor Company hereby undertakes to carry on its business and activities and hold the said assets with utmost prudence until the Effective Date.
 - (b) The Transferor Company shall carry on its business and activities with reasonable diligence, business prudence and shall not without the prior written consent of the Transferee Company, obtain any loans from third parties, alienate, charge, mortgage, encumber or otherwise deal with or dispose of its undertaking or any part thereof nor shall it undertake any new business or a substantial expansion of its existing business.
 - (c) Without prejudice to the generality of the sub clauses (a) and (b) above, the Transferor Company shall not make any change in its capital structure, whether by way of increase (by issue of equity shares on a rights basis, bonus shares) decrease, reduction, reclassification, sub-division or consolidation, re-organisation, or in any other manner, except under either of the following circumstances:
 - A. by mutual consent of the respective Board of Directors of the Transferee Company and of the Transferor Company; or
 - B. as may be expressly permitted under this Scheme.
 - (d) All the profits or income accruing or arising to the Transferor Company or expenditure, or losses arising to or incurred by the Transferor Company, with effect from the Appointed



- (e) All taxes (including income tax, sales tax, excise duty, customs duty, GST, VAT, etc.) paid or payable by the Transferor Company in respect of the operations and/or the profits of the business before the Appointed Date, shall be on account of the Transferor Company and, insofar as it relates to the tax payment (including, without limitation, sales tax, excise duty, custom duty, income tax, GST, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of its business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- (f) Any of the rights, powers, authorities and privileges attached or related or pertaining to and exercised by or available to the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of and as agent for the Transferee Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Transferor Company Undertaking undertaken or discharged by the Transferor Company shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the Transferee Company.
- (g) The Transferor Company shall not vary the terms and conditions of employment of any of the employees except in the ordinary course of business or without the prior written consent of the Transferee Company.
- (h) The Transferee Company shall, pending the sanction of the Scheme, apply to the relevant Governmental Authorities, for such consents, approvals, registration and sanctions, which the Transferee Company may require pursuant to this Scheme.

15. INTER - SE TRANSACTIONS

Without prejudice to the provisions of Clauses 4, 6 and 7, with effect from the Appointed Date, all inter-party transactions between the Transferor Company and the Transferee Company shall be considered as intra-party transactions for all purposes from the Appointed Date.

16. SAVING OF CONCLUDED TRANSACTIONS

- 16.01 The transfer and vesting of undertaking under Clause 6 and Clause 7 of this Scheme and the continuance of proceedings by or against the Transferor Company under Clause 8 of this Scheme shall not affect any transaction or proceedings already concluded by the Transferor Company on or before the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

17. CONSIDERATION

- 17.01 Upon the coming into effect of this Scheme and subject to and in consideration of the transfer and vesting of the Transferor Company Undertaking in the Transferee Company in terms of this Scheme, the Transferee Company on the basis of valuation reports dated 17-12-2022 prepared by Mr. Subodh Kumar an Independent Registered Valuer, registered with IBBI vide Registration No. IBBI/RV/05/2019/11705, having his office at First Floor, 12/14, Dhakka, Near Kingsway Camp, Delhi-400006, India shall, without any further application, act, instrument or deed issue and allot to each of the Transferor Members, whose name is registered in the register of members of the Transferor Company on the Record Date, shares in the Transferee Company as follows:

For 2.426 shares of the Transferor Company, the Transferor Member shall be issued 1 (One) Equity Share of the Transferee Company.

It is further clarified that the employee stock option pool of the Transferee Company on a Fully



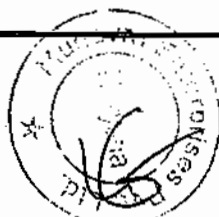
- 17.02 Upon the Amalgamation coming into effect on the Effective Date, the Consideration Shares of the Transferee Company to be issued and allotted to the members of the Transferor Company as provided in the Scheme shall be subject to the provisions of the memorandum of association and articles of association of the Transferee Company.
- 17.03 Pursuant to the Scheme, the shares of the Transferor Company held by its equity shareholders (both in physical and dematerialized form), shall, without any further application, act, instrument or deed, be deemed to have been automatically cancelled. The said equity shares of Transferor Company held in physical form shall be deemed to have been automatically cancelled without any requirement to surrender the certificates for shares held by the shareholders of the Transferor Company.
- 17.04 No fractional certificates, entitlements or credits shall be issued or given by the Transferee Company in respect of the fractional entitlements, if any, to which the shareholders of the Transferor Company are entitled on the issue and allotment of Equity shares by the Transferee Company in accordance with this Scheme. If any members of the Transferor Company have a shareholding such that such members become entitled to a fraction of a Consideration Shares, the Board of Directors of the Transferee Company shall consolidate all such fractional entitlements to which the shareholders of the Transferor Company may be entitled on issue and allotment of the equity shares of the Transferee Company as aforesaid and shall, without any further application, act, instrument or deed, issue and allot such fractional entitlements directly to a nominee to be appointed by the Board of Directors of the Transferee Company, who shall hold such fractional entitlements with all additions or accretions thereto in trust for the benefit of the respective shareholders to whom they belong and their respective heirs, executors, administrators or successors for the specific purpose of selling such fractional entitlements in the market at such price or prices and at such time or times as the nominee may in its sole discretion decide and on such sale pay to the Transferee Company, the net sale proceeds thereof and any additions and accretions, whereupon the Transferee Company shall, subject to withholding tax and expenses, if any, distribute such sale proceeds to the concerned shareholders of the Transferor Company in proportion to their respective fractional entitlements.
- 17.05 In the event of any reorganisation or restructuring of equity share capital of the Transferee Company by way of share split/ consolidation/ issue of bonus shares, free distribution of shares or instruments convertible into equity shares in relation to the share capital of the Transferee Company at any time before the Record Date, the number of Consideration Shares to be issued as set out above shall be adjusted appropriately to take into account the effect of such issuance or corporate actions and assuming conversion of any such issued instruments convertible into equity shares.

18. **AUTHORISED SHARE CAPITAL**

- 18.01 Upon the Scheme becoming effective, the authorized share capital of Transferor Company shall stand combined with the authorized share capital of Transferee Company. Filing fees and stamp duty, if any, paid by the Transferor Company on its authorized share capital, shall be deemed to have been so paid by the Transferee Company on the combined authorized Share capital and accordingly, the Transferee Company shall not be required to pay any fee/stamp duty for its increased authorized share capital. However, the Transferee Company shall file the requisite forms and fresh memorandum and articles of association with the Registrar of Companies.
- 18.02 Consequently, upon the Scheme becoming effective, the words and figures in clause V of the memorandum of association of the Transferee Company shall be substituted to read as follows:

The Authorized share Capital of the Company is:

Particulars	Amount (in INR)
-------------	-----------------



Authorised

2,35,000 equity shares of INR 10/- each;
 50,000 preference shares of INR 10/- each;
 25,000 preference shares of INR 1000/- each

INR 2,78,50,000/-

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The approval of this Scheme by the shareholders of Transferor Company and the Transferee Company under sections 230 to 232 of the Act, whether at a meeting or otherwise, shall be deemed to have the approval under Sections 13, 14, 61, 64 and other applicable provisions of the Act and any other consents and approvals required in this regard. Further, the Transferee Company shall file the amended copy of its memorandum and articles of association and requisite documents for amendment of memorandum and articles of association with the Registrar of Companies and the Registrar of Companies shall take the same on record.

- 18.03 Upon this Scheme becoming effective, the issued, subscribed and paid-up share capital of the Transferee Company shall stand suitably increased consequent upon the issuance of the Consideration Shares in accordance with Clause 17 above. It is clarified that no special resolution under Section 62(1)(c) or 62(1)(b) or 42 of the Act shall be required to be passed by the Transferee Company separately in a general meeting or offers under Section 62(1)(a) be made separately for issue of the Consideration Shares to the members of the Transferor Company under this Scheme and on the shareholders of the Transferee Company approving this Scheme, it shall be deemed that they have given their consent to the issue of the Consideration Shares of the Transferee Company to the members of the Transferor Company in accordance with Clause 17 above.
- 18.04 Notwithstanding anything stated in this Scheme, the Transferee Company may at any time alter its authorised share capital to accommodate any new issuance of securities and/or fund raising, subject to compliance with provisions of the Act.

19. **ACCOUNTING TREATMENT**

- 19.01 Recognizing that the Amalgamation is to be considered as an "amalgamation in nature of merger" as defined by paragraph 29 of the Accounting Standard on "Accounting for Amalgamations" issued under the Companies (Accounting Standards) Rules, 2021 which has been notified through notification no. G.S.R. 432(E) dated 23rd June, 2021 on Accounting Standards, ("AS-14"), the accounting treatment in respect of assets, liabilities and reserves of the Transferor Company shall be governed, subject to the provisions of this paragraph, in accordance with what is described in AS-14 as "the Pooling of Interests Method". Accordingly, all the assets and liabilities of the Transferor Company shall be recorded at their respective book values in the books of the Transferee Company.
- 19.02 As on the Appointed Date, the reserves, surplus and balance in profit & loss account of the Transferor Company will be merged with the respective reserves, surplus and balance in profit & loss account of the Transferee Company in the same form as they appeared in the financial statements of the Transferor Company.
- 19.03 The difference between the amount recorded as share capital issued (plus any additional consideration in the form of cash or other assets) and the amount of share capital of the Transferor Company shall be adjusted in reserves.
- 19.04 If, at the time of the Amalgamation, the Transferor Company and the Transferee Company have conflicting accounting policies, a uniform set of accounting policies should be adopted following the Amalgamation. The effects on the financial statements of any changes in accounting policies should be reported in accordance with Accounting Standard (AS) 5 'Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies'.

20. **DIVIDEND / BONUS ISSUANCE**

- 20.01 During the period between the Appointed Date and up to and including the Effective Date, the Transferor Company shall not declare any dividend without the prior written consent of the Board of Directors of the Transferee Company.



20.02 For avoidance of doubt, the shareholders of the Transferee Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing rights under their respective articles of association including the right to receive dividends until the Effective Date and nothing in this Scheme shall prevent Transferee Company from declaring and paying dividends, whether interim or final, or issuing any bonus shares to its shareholders as on a Record Date and the equity shareholders of the Transferor Company shall not be entitled to dividends or bonus shares, if any, declared or issued by Transferee Company prior to the Effective Date.

21. DISSOLUTION OF THE TRANSFEROR COMPANY

21.01 Upon the Effective Date the Transferor Company shall stand dissolved without being wound up and the Board of Directors and any committees thereof of the Transferor Company shall without any further act, instrument or deed be and stand dissolved.



GENERAL TERMS AND CONDITIONS

22. VALIDITY OF EXISTING RESOLUTIONS, ETC.

- 22.01 Upon coming into effect of this Scheme, the resolutions, if any, of the Transferor Company, which are valid and subsisting on the Effective Date shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions impose upper monetary or other limits under the provisions of the Act, or any other applicable provisions, then the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company.

23. APPLICATION TO THE TRIBUNAL OR SUCH OTHER COMPETENT AUTHORITY

- 23.01 The registered office of the Transferor Company and the Transferee Company are located in Gurgaon, India. The Transferor Company and the Transferee Company shall, with all reasonable diligence, make and pursue applications to the Tribunal at Chandigarh or such other authority having jurisdiction under Law, under Sections 230 to 232 of the Act for sanction and carrying out of the Scheme and for dissolution of the Transferor Company without winding up.

24. MODIFICATION / AMENDMENT TO THE SCHEME

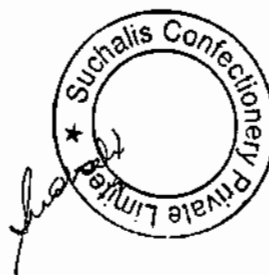
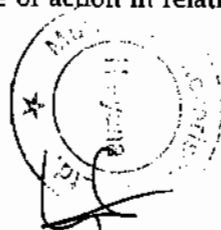
- 24.01 The Transferor Company and the Transferee Company, through their respective Board of Directors and subject to the terms of their respective articles of association, may make or consent to, on behalf of all persons concerned, any modifications or amendments to the Scheme or to any conditions or limitations that the Tribunal or any other authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by them (i.e., the Board of Directors) and solve all difficulties that may arise for carrying out the Scheme and do all acts, deeds and things necessary for putting the Scheme into effect. Such amendments shall be binding on all the shareholders of each of the Transferor Company and the Transferee Company.
- 24.02 For the purpose of giving effect to this Scheme or to any modification thereof, the directors of the Transferee Company may give and are authorised to give such directions including directions for settling any question of doubt or difficulty that may arise.

25. SCHEME CONDITIONAL ON APPROVAL / SANCTIONS

- 25.01 The Scheme is conditional upon and subject to the following:
- (a) The requisite consent, approval or permission of the central government or any other statutory or regulatory authority, which by Law, may be necessary for the implementation of this Scheme;
 - (b) Approval by the requisite majority of the members and creditors of Transferor and Transferee as may be required under applicable Laws; and
 - (c) The certified copies of the order of the Tribunal sanctioning the Scheme or of such other authority having jurisdiction under Law being filed with the Registrar of Companies.

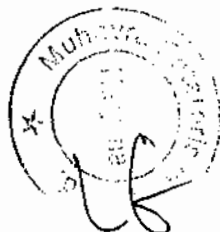
26. EFFECT OF NON-RECEIPT OF APPROVALS / SANCTIONS

- 26.01 In the event of any of the said sanctions and approvals referred to in the preceding Clause not being obtained and/or the Scheme not being sanctioned by the Tribunal or such other competent authority and/or the order or orders not being passed as aforesaid, the Board of Directors of the Transferor Company and the Board of Directors of the Transferee Company shall mutually agree and decide on the future course of action in relation to the continuity of the Scheme before the Tribunal.



- 27.01 The legal costs associated with the Amalgamation including stamp duty, court fees and any other cost shall be borne by Transferee Company based on advice secured by it in this regard from its advisors.
- 27.02 The Transferor Members shall bear their respective direct taxes relating to the issue of the Consideration Shares that are to be issued to them pursuant to this Scheme.
- 27.03 The Transferor Company and Transferee Company shall bear their respective direct consultancy/legal fees in connection with the drafting, negotiation and finalisation of the Scheme.

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CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF SUCHALIS CONFECTIONERY PRIVATE LIMITED ("THE COMPANY") (CIN: U15490HR2018PTC076091) HELD ON MONDAY, 2ND JANUARY, 2023 THROUGH VIDEO CONFERENCING (MEETING COMMENCED AT 11.00 A.M AND CONCLUDED AT 12.00 P.M)

1. TO CONSIDER AND APPROVE THE MERGER OF THE COMPANY WITH THE MUHAVRA ENTERPRISES PRIVATE LIMITED

"RESOLVED THAT pursuant to the applicable provisions of Section 230 to 233 of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force) read with rules and other applicable statutory regulations and subject to applicable provision of the Memorandum and Articles of Association of the company and subject to the approval/no objection of the respective members and creditors of Suchalis Confectionery Private Limited ("Company"), subject to the approval of Hon'ble National Company Law Tribunal ("NCLT"), the concerned Registrar of Companies, Official Liquidator, Income Tax Authority and any other statutory authorities having jurisdiction, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by Regional Director/ National Company Law Tribunal having jurisdiction or by any other regulatory/ statutory authority while granting consents, approvals and permissions which may be agreed by the Board of the Company and other necessary consents and approvals, the arrangement embodied in the draft Scheme of Amalgamation ("Scheme") concerning amalgamation of the Company into Muhavra Enterprises Private Limited ("Transferee Company"); as produced at the meeting duly initialed by the Chairperson for the purpose of identification, be and hereby accepted and approved.

RESOLVED FURTHER THAT the Board took on record the appointed date for the said Scheme as 1st April 2022 or such other date as the NCLT having jurisdiction may direct or approve under the relevant provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT for the purpose of amalgamation the Company into the Transferee Company, based on the valuation reports dated 17-12-2022 prepared by Mr. Subodh Kumar an Independent Registered Valuer, registered with IBBI vide Registration No. IBBI/RV/05/2019/11705, having his office at First Floor, 12/14, Dhakka, Near

SUCHALIS CONFECTIONERY PRIVATE LIMITED

Corporate Office :- 321, Udyog Vihar Phase - II, Gurugram - 122016

suchalisbakehouse@gmail.com

www.suchalisartisanbakehouse.com

CIN No. - U15490HR2018PTC076091





Kingsway Camp, Delhi-400006, India, being the valuer appointed for the purpose of the Scheme, the following share exchange/entitlement ratio be and is hereby approved, subject

to approval of the shareholders of the Company, NCLT and other relevant statutory authorities:

For 2.426 shares of the Transferor Company, the Transferor Member shall be issued 1 (One) Equity Share of the Transferee Company.

FURTHER RESOLVED THAT pursuant to provision of Section 110 and other applicable provisions, if any of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, approval of the board be and is hereby accorded to conduct the meeting to seek the approval of Members and shareholders of the Company for approval of Scheme.

FURTHER RESOLVED THAT Ms. Suchali Jain (DIN: 08241627), director of the Company be and is hereby severally authorised, empowered and deemed to have been authorised and empowered to exercise all powers and discharge all the functions which the board is authorised for the purpose of implementing the Scheme.

FURTHER RESOLVED THAT a copy of this resolution be submitted to concerned authorities duly certified by any Director of the company".

2. TO AUTHORIZE MS. SUCHALI JAIN (DIN: 08241627) PURSUANT TO MERGER WITH MUHAVRA ENTERPRISES PRIVATE LIMITED.

"RESOLVED THAT Ms. Suchali Jain (DIN: 08241627), director of the Company be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the Scheme of Merger and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the Hon'ble National Company Law Tribunal (NCLT), if and when applicable while sanctioning the Scheme of Merger or by any authorities under law and delegate such powers as the Board may deem fit and proper or as may be required for the purpose of

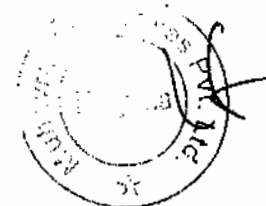
SUCHALIS CONFECTIONERY PRIVATE LIMITED

Corporate Office :- 321, Udyog Vihar Phase - II, Gurugram - 122016

suchalisbakehouse@gmail.com

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CIN No. - U15490HR2018PTC076091





resolving any questions or doubts or difficulties that may arise including passing of such accounting entries and/or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme and to engage advocates, consultants, attorneys to represent the Company before the regulatory authorities for the aforesaid purpose, and to do other incidental

acts, as the Board may deem fit and proper."

For Suchalis Confectionery Private Limited

Suchali

Suchali Jain
Director

DIN: 08241627

Add: X-125, Tatvam Villas, Sohna Road,
Sector-48, Islampur (97), Gurgaon,
Haryana-122018



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Corporate Office :- 321, Udyog Vihar Phase – II, Gurugram – 122016

suchalibakehouse@gmail.com

www.suchalisartisanbakehouse.com

CIN No. - U15490HR2018PTC076091





MUHAVRA ENTERPRISES PRIVATE LIMITED
 D 173, Sushant Lok, Phase 1, Gurgaon- 122002, Haryana, India
 (+91) 9821126015, getcoffee@bluetokaicoffee.com
 CIN: U15492HR2012PTC047234

EXTRACT OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF MUHAVRA ENTERPRISES PRIVATE LIMITED HELD ON FRIDAY, THE 20th DAY OF DECEMBER, 2022 AT 02:30 P. M. THROUGH VIDEO CONFERENCING

1. Approval and Consent for the proposed scheme of merger between Muhavra Enterprises Private Limited (transferor company) with Suchalis Confectionery Private Limited (transferee company) and their respective shareholders and creditors:

“RESOLVED THAT pursuant to the applicable provisions of Section 230 to 233 of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) read with rules and other applicable statutory regulations, pursuant to applicable provision of the Memorandum and Articles of Association of the Company and subject to the approval of the respective members and creditors of the Muhavra Enterprises Private Limited (“Company”), subject to the approval of Hon’ble National Company Law Tribunal (“NCLT”), the concerned Registrar of Companies, Official Liquidator, Income Tax Authority and any other statutory authorities having jurisdiction, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by NCLT having jurisdiction or by any other regulatory/ statutory authority while granting consents, approvals and permissions and other necessary consents and approvals, the arrangement embodied in the draft Scheme of Amalgamation (“Scheme”) produced at the meeting duly initialed by the Chairman for the purpose of identification, be and hereby approved for merger of the Transferor Company into the Company..

RESOLVED FURTHER THAT the Board took on record the appointed date for the said Scheme as 01st April 2022 or such other date as the NCLT having jurisdiction may direct or approve under the relevant provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT for the purpose of amalgamation the Transferor Company into the Company, based on the valuation reports dated 17-12-2022 prepared by Mr. Subodh Kumar an Independent Registered Valuer, registered with IBBI vide Registration No.IBBI/RV/05/2019/11705, having his office at First Floor, 12/14, Dhakka, Near Kingsway





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Camp, Delhi-400006, India, being the valuer appointed for the purpose of the Scheme, the following share exchange/entitlement ratio be and is hereby approved, subject to approval of the shareholders of the Company, NCLT and other relevant statutory authorities:

For 2.426 shares of the Transferor Company, the Transferor Member shall be issued 1 (One) Equity Share of the Transferee Company.

FURTHER RESOLVED THAT Mr. Matthew Joseph Chitharanjan (DIN: 06368646), director of the Company, be and is hereby authorized to do all such acts, deeds, matters and things (including but not limited to filing of notice, application, petition, affidavit, documents, statutory forms, return, etc. with the concerned regulatory and/ or statutory authorities), as may be, in their absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the NCLT having jurisdiction while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise including passing of such accounting entries and/or making such adjustments in the books of accounts as considered necessary in giving effect to the Scheme and to engage advocates, consultants, attorneys to represent the Company before the regulatory authorities for the aforesaid purpose, and to do other incidental acts, as the Board may deem fit and proper."

FURTHER RESOLVED THAT a copy of this resolution be submitted to concerned authorities duly certified by any Director of the company".

For Muhavra Enterprises Private Limited

Matthew Joseph Chitharanjan

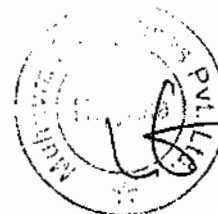
Director

DIN: 06368646

Add: D-173, Sushant Lok-1,

Chakarpur (74), Gurgaon, DLF qe

Gurgaon-122002, Haryana





MUHAVRA ENTERPRISES PRIVATE LIMITED
 D 173, Sushant Lok, Phase 1, Gurgaon- 122002, Haryana, India
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 CIN: U15492HR2012PTC047234

REPORT UNDER SECTION 232(2)(C) OF THE COMPANIES ACT, 2013 ADOPTED BY THE BOARD OF DIRECTORS OF MUHAVRA ENTERPRISES PRIVATE LIMITED EXPLAINING THE EFFECT OF SCHEME OF AMALGAMATION ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS

The Board of Directors (**Board**) of Muhavra Enterprises Private Limited (**Transferee Company or Company**) at its board meeting held on 20 December 2022 has approved the scheme of amalgamation (**Scheme**) in terms of and pursuant to, the provisions of Sections 230 to 232 of the Companies Act, 2013 (**Companies Act**), the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, and other applicable laws, for the amalgamation of Suchalis Confectionery Private Limited (bearing CIN U15490HR2018PTC076091) (**Transferor Company**) into and with the Transferee Company (**Proposed Amalgamation**). The Scheme is subject to requisite approval(s) of the Hon'ble National Company Law Tribunal, Chandigarh Bench (**Hon'ble Tribunal**) and other regulatory authorities.

While deliberating on the Scheme, the Board of the Transferee Company had, inter alia, considered the following:

- (i) Draft Scheme;
- (ii) Certificate of share swap ratio dated 17 December 2022, for the Proposed Amalgamation, prepared by Mr. Subodh Kumar, an independent registered valuer, registered with IBBI vide Registration No. IBBI/RV/05/2019/11705, having his office at 210, 2nd Floor, Wadhwa Complex, Street No. 10, Laxmi Nagar, New Delhi-110092, India and a coordinating office at First Floor, 12/14, Dhakka, Near Kingsway Camp, Delhi-400006; and
- (iii) Valuation reports dated 17 December 2022, prepared by Mr. Subodh Kumar, an independent registered valuer, registered with IBBI vide Registration No. IBBI/RV/05/2019/11705, having his office at 210, 2nd Floor, Wadhwa Complex, Street No. 10, Laxmi Nagar, New Delhi-110092, India and a coordinating office at First Floor, 12/14, Dhakka, Near Kingsway Camp, Delhi-400006.

After considering the documents referred above, the Board of the Transferee Company has approved the draft Scheme.

In accordance with Section 232(2)(c) of the Companies Act, a report adopted by the Board of the Transferee Company explaining the effect of the Scheme on each class of shareholders, key managerial personnel (**KMP**), promoters and non-promoter shareholders is required to be circulated to the shareholders or class of shareholders or creditors or class of creditors, as the case may be, for the meeting of the shareholders or class of shareholders or creditors or class of creditors, as the case may be, along with the notice convening such meeting.

- (i) The Proposed Amalgamation seeks to achieve cost savings from more focussed operational efforts, rationalization and standardization of business processes by way of consolidation.
- (ii) The Proposed Amalgamation is expected to achieve business synergies and is expected to enable carrying on the business more economically.
- (iii) The Proposed Amalgamation is intended to rationalize the business operations and activities, to utilize the potential for growth and diversification and for better optimization of costs and resources.
- (iv) The Proposed Amalgamation would result in consolidation to enable better and more efficient management and offering opportunities to vigorously pursue growth and expansion.



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- (v) Upon the Scheme becoming effective (*as defined in the Scheme*) in terms of Clause 17 of Part B, for every 2.426 shares of the Transferor Company, each shareholder of the Transferor Company shall be issued 1 equity share of the Transferee Company, based on the share exchange ratio of 0.4122:1 (**Share Exchange Ratio**). The employee stock option pool of the Transferee Company on a fully diluted basis, shall stand increased by 267 (Two Hundred and Sixty-Seven) shares, to accommodate the employee stock option pool of the Transferor Company.
- (vi) Upon the Scheme becoming effective (*as defined in the Scheme*), the Transferor Company shall stand dissolved without being wound up and the board of directors and any committees thereof of the Transferor Company shall without any further act, instrument or deed be and stand dissolved.

Therefore, in accordance with Section 232(2)(c) of the Companies Act, the Board of the Transferee Company in its meeting held on 20 December 2022 took on record the following impact of the Scheme inter alia on the shareholders, KMP, promoters and non-promoter shareholders of the Transferee Company and the Transferor Company:

S. No.	Category	Transferee Company	Transferor Company
1.	Shareholders	In accordance with the Scheme, the Transferee Company will issue new shares to the shareholders of the Transferor Company based on the Share Exchange Ratio, i.e., for every 2.426 shares of the Transferor Company, each shareholder of the Transferor Company shall be issued 1 equity share of the Transferee Company.	The Transferor Company will be struck off from the register of companies maintained by the concerned Registrar of Companies, with effect from the relevant effective date as specified in the Scheme without need for winding up in accordance with the Companies Act and other applicable laws in India. Accordingly, the shareholders of the Transferor Company will cease to hold shares in the Transferor Company and will receive shares in the Transferee Company in consideration of the Proposed Amalgamation and in accordance with the Share Exchange Ratio.
2.	Promoter Shareholders	As stated above, upon the Scheme becoming effective, the shareholders of the Transferee Company will issue shares to the shareholders of the Transferor Company in terms of the Scheme.	Upon the Scheme becoming effective, the promoter shareholders will cease to be promoters of the Transferor Company. The promoter shareholders of the Transferor Company will be treated at par with the other



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S. No.	Category	Transferee Company	Transferor Company
		The Scheme does not have any special impact on the shareholders of the Transferee Company.	shareholders of the Transferee Company once they will be issued shares of the Transferee Company. Please refer to point (1) above for details regarding effect on the shareholders.
3.	Non-promoters Shareholders	Please refer to point (1) above for details regarding effect on the shareholders.	Please refer to point (1) above for details regarding effect on the shareholders.
4.	KMPs	The KMPs of the Transferee Company or their relatives do not have any interest in the Scheme, financially or otherwise. The Scheme does not affect the office of the KMPs of the Transferee Company.	In accordance with the Scheme, all employees of the Transferor Company as on such date shall become the employees of the Transferee Company, and, subject to the provisions hereof, on such terms and conditions as provided in the employment agreements to be executed with the Transferee Company, without any interruption of service as a result of the Proposed Amalgamation.
5.	Directors	The directors of the Transferee Company or their relatives do not have any interest in the Scheme, financially or otherwise. The Scheme does not affect the office of the directors of the Transferee Company.	Upon the Scheme becoming effective, the directors of the Transferor Company will cease to be directors of the Transferor Company.

For Muhavra Enterprises Private Limited

Signatures: _____

Matthew Joseph Chitharanjan
 Director

DIN: 06368646

Add: D-173, Sushant Lok-1, Chakarpur (74), Gurgaon,
 DLF, Gurgaon-122002, Haryana

Date: 20 December 2022

ANNEXURE 3

REPORT UNDER SECTION 232(2)(C) OF THE COMPANIES ACT, 2013 ADOPTED BY THE BOARD OF DIRECTORS OF SUCHALIS CONFECTIONERY PRIVATE LIMITED EXPLAINING THE EFFECT OF SCHEME OF AMALGAMATION ON EACH CLASS OF SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS

The Board of Directors (**Board**) of Suchalis Confectionery Private Limited (**Transferor Company or Company**) at its board meeting held on 2 January 2023 has approved the scheme of amalgamation (**Scheme**) in terms of and pursuant to, the provisions of Sections 230 to 232 of the Companies Act, 2013 (**Companies Act**), the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, and other applicable laws, for the amalgamation of Transferor Company into and with Muhavra Enterprises Private Limited (bearing CIN U15492HR2012PTC047234) (**Transferee Company**) (**Proposed Amalgamation**). The Scheme is subject to requisite approval(s) of the Hon'ble National Company Law Tribunal, Chandigarh Bench (**Hon'ble Tribunal**) and other regulatory authorities.

While deliberating on the Scheme, the Board of the Transferor Company had, inter alia, considered the following:

- (i) Draft Scheme;
- (ii) Certificate of share swap ratio dated 17 December 2022, for the Proposed Amalgamation, prepared by Mr. Subodh Kumar, an independent registered valuer, registered with IBBI vide Registration No. IBBI/RV/05/2019/11705, having his office at 210, 2nd Floor, Wadhwa Complex, Street No. 10, Laxmi Nagar, New Delhi-110092, India and a coordinating office at First Floor, 12/14, Dhakka, Near Kingsway Camp, Delhi-400006; and
- (iii) Valuation reports dated 17 December 2022, prepared by Mr. Subodh Kumar, an independent registered valuer, registered with IBBI vide Registration No. IBBI/RV/05/2019/11705, having his office at 210, 2nd Floor, Wadhwa Complex, Street No. 10, Laxmi Nagar, New Delhi-110092, India and a coordinating office at First Floor, 12/14, Dhakka, Near Kingsway Camp, Delhi-400006.

After considering the documents referred above, the Board of the Transferor Company has approved the draft Scheme.

In accordance with Section 232(2)(c) of the Companies Act, a report adopted by the Board of the Transferor Company explaining the effect of the Scheme on each class of shareholders, key managerial personnel (**KMP**), promoters and non-promoter shareholders is required to be circulated to the shareholders or class of shareholders or creditors or class of creditors, as the case may be, for the meeting of the shareholders or class of shareholders or creditors or class of creditors, as the case may be, along with the notice convening such meeting.

- (i) The Proposed Amalgamation seeks to achieve cost savings from more focussed operational efforts, rationalization and standardization of business processes by way of consolidation.
- (ii) The Proposed Amalgamation is expected to achieve business synergies and is expected to enable carrying on the business more economically.

- (iii) The Proposed Amalgamation is intended to rationalize the business operations and activities, to utilize the potential for growth and diversification and for better optimization of costs and resources.
- (iv) The Proposed Amalgamation would result in consolidation to enable better and more efficient management and offering opportunities to vigorously pursue growth and expansion.
- (v) Upon the Scheme becoming effective (*as defined in the Scheme*) in terms of Clause 17 of Part B, for every 2.426 shares of the Transferor Company, each shareholder of the Transferor Company shall be issued 1 equity share of the Transferee Company, based on the share exchange ratio of 0.4122:1 (**Share Exchange Ratio**). The employee stock option pool of the Transferee Company on a fully diluted basis, shall stand increased by 267 (Two Hundred and Sixty-Seven) shares, to accommodate the employee stock option pool of the Transferor Company.
- (vi) Upon the Scheme becoming effective (*as defined in the Scheme*), the Transferor Company shall stand dissolved without being wound up and the board of directors and any committees thereof of the Transferor Company shall without any further act, instrument or deed be and stand dissolved.

Therefore, in accordance with Section 232(2)(c) of the Companies Act, the Board of the Transferor Company in its meeting held on 2 January 2023 took on record the following impact of the Scheme *inter alia* on the shareholders, KMP, promoters and non-promoter shareholders of the Transferee Company and the Transferor Company:

S. No.	Category	Transferee Company	Transferor Company
1.	Shareholders	In accordance with the Scheme, the Transferee Company will issue new shares to the shareholders of the Transferor Company based on the Share Exchange Ratio, i.e., for every 2.426 shares of the Transferor Company, each shareholder of the Transferor Company shall be issued 1 equity share of the Transferee Company.	The Transferor Company will be struck off from the register of companies maintained by the concerned Registrar of Companies, with effect from the relevant effective date as specified in the Scheme without need for winding up in accordance with the Companies Act and other applicable laws in India. Accordingly, the shareholders of the Transferor Company will cease to hold shares in the Transferor Company and will receive shares in the

S. No.	Category	Transferee Company	Transferor Company
			Transferee Company in consideration of the Proposed Amalgamation and in accordance with the Share Exchange Ratio.
2.	Promoter Shareholders	<p>As stated above, upon the Scheme becoming effective, the shareholders of the Transferee Company will issue shares to the shareholders of the Transferor Company in terms of the Scheme.</p> <p>The Scheme does not have any special impact on the shareholders of the Transferee Company.</p>	<p>Upon the Scheme becoming effective, the promoter shareholders will cease to be promoters of the Transferor Company.</p> <p>The promoter shareholders of the Transferor Company will be treated at par with the other shareholders of the Transferee Company once they will be issued shares of the Transferee Company.</p> <p>Please refer to point (1) above for details regarding effect on the shareholders.</p>
3.	Non-promoters Shareholders	Please refer to point (1) above for details regarding effect on the shareholders.	Please refer to point (1) above for details regarding effect on the shareholders.
4.	KMPs	The KMPs of the Transferee Company or their relatives do not have any interest in the Scheme, financially or otherwise. The Scheme does not affect the office of the KMPs of the Transferee Company.	In accordance with the Scheme, all employees of the Transferor Company as on such date shall become the employees of the Transferee Company, and, subject to the provisions hereof, on such terms and conditions as provided in the employment agreements to be executed with the Transferee Company, without any interruption of service as a

S. No.	Category	Transferee Company	Transferor Company
			result of the Proposed Amalgamation.
5.	Directors	The directors of the Transferee Company or their relatives do not have any interest in the Scheme, financially or otherwise. The Scheme does not affect the office of the directors of the Transferee Company.	Upon the Scheme becoming effective, the directors of the Transferor Company will cease to be directors of the Transferor Company.

For Suchalis Confectionery Private Limited



Signatures:

Suchali Jain
Director

DIN: 08241627

Add: A-57, Near S D College,
Tribune Colony, Ambala GPO,
Haryana - 133001

Date: 2 January 2023



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MUHAVRA ENTERPRISES PRIVATE LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **MUHAVRA ENTERPRISES PRIVATE LIMITED** (hereinafter referred to as "the Holding Company") its subsidiary, joint venture and associate (the Holding Company, its subsidiary, associate and joint venture together referred to as "the Group"), which comprises the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash flow for the year then ended, notes to Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statement of a subsidiary and joint venture, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs (financial position) of the Group as at March 31, 2022 and its consolidated loss and its consolidated Cash Flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their report referred in other matter para below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.



Head Office:
 4696 Brij Bhawan
 21A Ansari Road
 Darya Ganj,
 New Delhi-110002, INDIA
 Tel : +91-11-2328-8101

Corporate Office:
 GLOBAL BUSINESS SQUARE
 Building No. 32, Sector 44,
 Institutional Area Gurgaon,
 122003, India
 Tel : +91-124-4786-200

Nehru Place:
 503, Chiranjiv Tower,
 43, Nehru Place
 New Delhi 110019, India
 +91-11-2622-3712,
 2622-6933

Mumbai:
 305-306, 3rd Floor,
 Garnet Palladium,
 Behind Express Zone,
 Off Western Express
 Highway, Goregaon (East),
 Mumbai - 400063

Karol Bagh:
 17A/55, Triveni Plaza,
 Gurudwara Road,
 Karol Bagh,
 New Delhi- 110005
 Tel : +91-11-4504-4453

Chandigarh:
 SCO-705, 1st Floor,
 NAC Manimejra
 Chandigarh-160101, India
 Tel : +91-172-507-7789,
 5077-790

Other Matters

The accompanying Consolidated Financial Statements include the financial statements and the other financial information in respect of subsidiary which reflects total assets of Rs 4.38 lakhs as at 31st March, 2022, total revenue of Rs 0.12 lakhs, net loss after tax of Rs 5.91 lakhs, and net cash outflow of Rs 4.35 lakhs for the year ended on that date, and the financial statements and other financial information in respect of joint venture which reflects share of the Holding company's in total assets of Rs 71.67 lakhs as at 31st March, 2022, total revenue of Rs 56.52 lakhs, net loss after tax of Rs 0.08 lakhs and net cash Outflow of Rs 0.06 lakhs for the year ended on that date. These financial statements and other financial information have been audited by other independent auditors whose audit report have been furnished to us by the management. Our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of subsidiary and joint venture and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary and joint ventures is based solely on the report(s) of such other auditors.

The accompanying Consolidated Financial Statements also includes Holding company's share of net loss of Rs Nil for the year ended March 31, 2022, as considered in the Consolidated Financial Statements, in respect of its associate, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of associates, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid associate, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the Consolidated Financial Statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Information Other than the Financial Statements and Auditor's Report Thereon

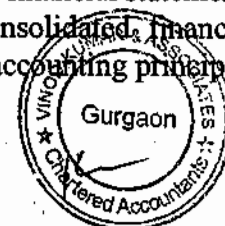
The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's Annual report, but does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles



generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the entities included in the Group responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless respective management, either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The Respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to



continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

- (i) With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO report issued by us for the holding company included in the consolidated financial statements of the group, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in its CARO report.
- (ii) As required by Section 143(3) of the Act, based on our audit, and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiary and joint venture, as noted in the 'Other Matter' paragraph we report, to the extent applicable, that:
 - a) We/ the other auditors whose report we have relied upon, have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;



- c) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standard specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company and joint venture which is incorporated in India as on 31st March, 2022, none of the directors of these entities is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- f) Being a Private Company, pursuant to the Notification No. GSR 464(E) dated 5th June, 2015, as amended by Notification No. GSR No.583(E) dated 13th June, 2017, issued by the Central Government of India, reporting requirement prescribed in clause (i) of sub-section (3) of section 143 of the Act is not applicable to holding company; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Group has disclosed the impact of pending litigations as at 31st March 2022 on its financial position in its Consolidation Financial Statements – Refer note 32 to the consolidated financial statements;
 - ii. The Group did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
 - iii. There have been no amounts required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary and joint venture, incorporated in India during the year ended 31st March, 2022; and
 - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary or joint venture incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company, its subsidiary and joint venture incorporated in India; or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;



(b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company or its subsidiary or joint venture incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary or joint venture incorporated in India shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties; or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

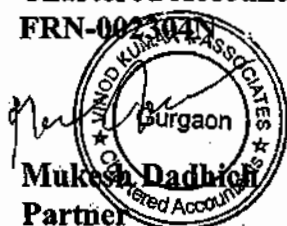
(c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv) (a) and (iv) (b) contain any material misstatement.

- v. The Group has not declared or paid any dividend during the year and has not proposed final dividend for the year. Accordingly, reporting in this regard is not applicable to the Group.
- (iii) With respect to the matter to be included in the Auditors' Report under section 197(16) of the Act:

The Holding Company is not a public company, accordingly provision of Section 197(16) of the Act is not applicable to Holding Company.

**For Vinod Kumar & Associates
Chartered Accountants**

FRN-00230418



Mukesh Dadhich
Partner

M.No. 511741

UDIN: 22511741BEDHA05379

Date: 27th September, 2022

Place: New Delhi

Muhavra Enterprises Private Limited
(CIN - U15492HR2012PTC047234)
Consolidated Balance Sheet as at 31 March, 2022

(Amount in Rs. Lakhs)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
A. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share Capital	2	3.11	2.65
(b) Reserve and Surplus	3	6,332.32	3,641.67
		6,335.43	3,644.32
2. Minority Interest			
		(0.00)	0.00
		(0.00)	0.00
3. Non Current Liabilities			
(a) Long-term borrowings	4	52.75	75.36
(b) Other Long term liabilities	5	12.84	-
(c) Long-term provisions	6	141.86	32.17
		207.45	107.53
4. Current Liabilities			
(a) Short Term Borrowings	7	1,037.08	517.03
(b) Trade Payables	8		
-Dues of micro enterprises and small enterprises		46.79	12.97
-Dues of creditors other than micro enterprises and small enterprises		624.46	333.25
(c) Other Current Liabilities	9	243.00	127.88
(d) Short-term provisions	10	22.34	66.22
		1,973.67	1,057.35
TOTAL		8,516.55	4,809.20
B. ASSETS			
1. Non-Current Assets			
(a) Property Plant and Equipment & Intangible Assets			
(i) Property, Plant & Equipments	11(A)	2,161.49	1,454.37
(ii) Intangible Assets	11(B)	106.31	45.24
(iii) Capital Work in Progress	11(C)	-	30.65
(iv) Intangible assets under development	11(D)	49.60	17.29
(b) Non-Current Investments	12	67.42	-
(c) Deferred Tax Assets (Net)	13	837.19	512.05
(d) Long Term Loans & Advances	14	58.03	7.18
(d) Other Non-Current Assets	15	390.37	271.28
		3,670.41	2,338.06
2. Current Assets			
(a) Current Investments	16	-	498.83
(b) Inventories	17	1,466.79	827.36
(c) Trade Receivables	18	583.22	351.11
(d) Cash and Bank Balances	19	1,877.09	477.32
(e) Short-term loans and advances	20	870.91	316.09
(f) Other current assets	21	48.13	0.43
		4,846.14	2,471.14
TOTAL		8,516.55	4,809.20

The Accompanying notes 1 to 42 form an integral part of these Consolidated Financial Statements.

As per our Report of even date attached

For Vinod Kumar & Associates

Chartered Accountants

FRN No. 002375N

Gurgaon

Mukesh Duggal

(Partner)

Membership No. 1244

Date: 27th September, 2022

Place: New Delhi

For and on Behalf of the Board of Directors

Matthew Joseph Clitharanjan
(Director)
DIN : 06368646

Namsata Asthana
(Director)
DIN : 06368654

Muhavra Enterprises Private Limited
(CIN - U15492HR2012PTC047234)
Consolidated Statement of Profit and loss for the year ended March 31, 2022
(Amount in Rs. Lakhs)

	Particulars	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
1	Income			
	Revenue from Operations	22	7,396.19	4,096.50
	Other Income	23	83.65	34.26
	Total Income (A)		7,479.84	4,130.76
2	Expenses:			
	Cost of Materials Consumed	24	2,609.35	1,514.29
	Purchases of Stock-in-Trade	25	521.93	375.33
	Changes in Inventories of Finished Goods work-in-progress and Stock-in-Trade	26	41.45	(160.51)
	Employee Benefits Expense	27	2,200.87	1,250.02
	Finance Costs	28	170.09	96.23
	Depreciation and Amortization expense	11	635.17	498.70
	Other Expenses	29	2,859.18	1,651.99
	Total Expenses (B)		9,038.04	5,226.05
3	Profit/(Loss) before tax (A) - (B)		(1,558.20)	(1,095.29)
4	Tax Expense			
	Current tax		-	-
	Less: MAT Credit Entitlement		-	-
	Deferred tax		(325.14)	(379.12)
	Share in Profit/ (Loss) of Associate after Tax		-	-
	Profit/(Loss) transferred to minority		(0.00)	(0.00)
5	Profit/(Loss) after tax		(1,233.06)	(716.17)
	Earning Per Equity Share (in Rupees)	36		
	Basic		(8,506.21)	(4,940.45)
	Diluted		(4,333.60)	(2,946.47)

The Accompanying notes 1 to 42 form an integral part of these Consolidated Financial Statements

As per our Report of even date attached
For Vinod Kumar & Associates

Chartered Accountants
FRN No. 002304N

Gurgaon

Mukesh Bhatnagar
(Partner)

Membership No. 511741

Date: 27th September, 2022

Place: New Delhi

For and on behalf of Board of Directors

Matthew Joseph-Chitharanjan
(Director)

DIN : 06368646

Namrata Asthana
(Director)

DIN : 06368654

Muhavra Enterprises Private Limited
(CIN - U15492HR2012PTC047234)
Consolidated Cash Flow Statement for the year ended March 31, 2022

(Amount in Rs. Lakhs)

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
A Cash Flow from operating activities:		
Profit/(Loss) before tax	(1,558.20)	(1,095.29)
Adjustments for :		
Depreciation	635.17	498.70
ESOP	166.21	-
Interest Expense	170.09	96.23
Property, Plant & Equipment Written off	-	22.50
(Profit)/loss on sale of Property, Plant & Equipment	-	0.07
Interest Income	(42.61)	(25.79)
Operating Profit before working capital changes	(629.34)	(503.58)
Adjustment for:		
Increase / (Decrease) in Trade Payables	325.03	68.32
Increase / (Decrease) in Other Current Liabilities	115.12	(0.51)
Increase / (Decrease) in long-term provisions	109.69	32.17
Increase / (Decrease) in long-term Liabilities	12.84	-
Increase / (Decrease) in short-term provisions	(43.88)	66.22
Decrease / (Increase) in Inventories	(639.43)	(113.34)
Decrease / (Increase) in Trade Receivables	(232.11)	(53.58)
Decrease / (Increase) in Long Term Loan and Advances	(50.85)	(36.01)
Decrease / (Increase) in Short Term Loan and Advances	(554.82)	(101.43)
Decrease / (Increase) in Other Non Current Assets	(119.09)	-
Decrease / (Increase) in Other Current Assets	(47.70)	47.73
Cash Generated/ (Used In) Operating Activities	(1,125.20)	(90.43)
Tax (expense)/ Refund	-	-
Net Cash Inflow / (Outflow) from Operating Activities	(1,754.54)	(594.01)
B Cash Flow from Investing Activities:		
Sale of Property, Plant & Equipment & Intangible Assets	-	4.68
Purchase of Property, Plant & Equipment & Intangible Assets	(1,405.03)	(425.03)
Sale/(Purchase) of Investments	431.41	(498.83)
Interest Received	42.61	25.79
(Investments)/ Realisation in Bank deposits	(1,151.74)	239.50
Net cash Inflow / (Outflow) from Investing Activities	(2,082.75)	(653.88)
C Cash Flow from Financing Activities:		
Proceeds/ (Repayment) from Borrowings, Net	497.47	(2,485.88)
Proceeds from Minority	(0.00)	0.00
Interest paid	(170.09)	(96.23)
Issue Of Shares	0.45	0.75
Security Premium Money Received	3,757.50	3,857.65
Net cash Inflow / (Outflow) from Financing Activities	4,085.33	1,276.29
Net Increase/(Decrease) in Cash and Cash Equivalents	248.03	28.40
Cash and Cash equivalents (Opening Balance)	55.02	26.62
Cash and Cash equivalents (Closing Balance)(Refer Note-19)	303.05	55.02

The Accompanying notes 1 to 42 form an integral part of these Consolidated Financial Statements

As per our Report of even date attached

For Vinod Kumar & Associates

Chartered Accountants

FRN No. 00294N

Gurgaon

Mukesh Dhillon
(Partner)

Membership No. 311741

Date: 27th September, 2022

Place: New Delhi

For and on Behalf of the Board of Directors

Matthew Joseph Chithamban
(Director)
DIN : 08368646

Namrata Asthana
(Director)
DIN : 06368654

Muhavra Enterprises Private Limited
(CIN - U15492HR2012PTC047234)
Notes forming part of Consolidated Financial Statements

Note 1 Significant Accounting policies and notes on accounts

1.1 Corporate Information

Muhavra Enterprises Private Limited is a private limited company incorporated on 26th September, 2012 under the Companies Act, 1956 in India. The registered office of the company is located at D-173, Sushant Lok-I, Gurgaon, Haryana-122002, India. The company is engaged in the the business of manufacturing, processing, distributing, marketing and selling goods related to speciality foods and beverage products, including, but not limited to coffee products (beverages, roasted beans, coffee powder and coffee products), chocolate products, and providing services such as saleable drink in a kiosk format or via delivery for personal and commercial use, and any other business that may be conducted from time to time, throughout India and overseas.

GAC Enterprises Private Limited ("the subsidiary company") is a private company incorporated in India.

Origami Dripbag Private Limited ("the jointly controlled entity" or "joint venture") is a private company incorporated in India.

Blue Tokai Coffee Japan ("the associate company") is a company incorporated in Japan.

The holding company, its subsidiary, jointly controlled entity and associate company is collectively referred to as "the Group".

1.2 Basis of Preparation and presentation

(a) Statement of compliance

These Consolidated Financial Statements are prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013.

(b) Functional & presentation currency

These Consolidated Financial Statements are presented in Indian Rupees (₹), which is also the Group's functional currency. All amounts have been rounded off to the nearest lakhs or decimal thereof, unless otherwise indicated.

(c) Basis of measurement

The Consolidated Financial Statements have been prepared under the historical cost convention on accrual basis except for Defined benefit obligation which have been measured at fair value amount.

(d) Principles of Consolidation

- (i) The Financial Statements of the holding company and its subsidiary have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra group balances, intra group transactions and unrealized profits or losses, if any,
- (ii) The difference of the cost of investment to the holding company in subsidiaries over its proportionate share in the equity of the investee company as on the date of acquisition is recognised in the Consolidated Financials Statements as Goodwill or Capital Reserve as the case may be.
- (iii) Minority Interest's share of net profit of consolidated subsidiary for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Holding Company.
- (iv) Minority Interest's share of net assets of consolidated subsidiary is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the Holding Company's shareholders.
- (v) Investment in jointly controlled entity is accounted for under proportionate consolidation method as per Accounting Standard (AS) 27 - "Financial Reporting of interests in Joint Ventures".
- (vi) The Holding Company accounts for its share of each of the assets, liabilities, income and expenses of the jointly controlled entity as separate line items in the consolidated financial statements.
- (vii) The difference between the cost of investment in the jointly controlled entity and the share of net assets at the time of acquisition of shares in the jointly controlled entity is identified in the consolidated financial statements as Goodwill or Capital Reserve as the case may be.
- (viii) As far as possible, the Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Holding Company's separate Financial Statements.
- (ix) Investment in Associate entity is accounted for under Equity method as per Accounting Standard (AS) 23 - "Accounting for Investments in Associates in Consolidated Financial Statements".
- (x) On acquisition of the investment in Associate, the difference between the cost of acquisition and the investor's share of the equity of the associate is described as Goodwill or Capital Reserve as the case may be.

Goodwill/capital reserve arising on the acquisition of an associate by an investor should be included in the carrying amount of investment in the associate and disclosed separately.



Muhavra Enterprises Private Limited

(CIN - U15492HR2012PTC047234)

Notes forming part of Consolidated Financial Statements

Note 1 Significant Accounting policies and notes on accounts

(e) Current and non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

(f) Use of estimates and judgements

The preparation of Consolidated Financial Statements in conformity with Indian GAAP requires the management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Although these estimates are based on the best knowledge of current event and actions, so actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

(g) Changes in accounting policies

The Group has consistently applied the accounting policies set out below to all periods presented in these Consolidated Financial Statements.

1.3 Significant accounting policies

(a) Inventories

Inventory is valued at the lower of the cost or net realizable value.

Cost of inventories comprises of all costs of purchase price, duties and taxes (other than refundable duties and taxes), cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Cost of raw material, packing material, trading material and finished foods are determined on First in First out basis.

The comparison of cost and net realizable value is made on an item by item basis. The Group periodically assesses the inventory for obsolescence and slow moving stocks.

(b) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with bank. Cash equivalent are short term, highly liquid investments that are readily convertible into known amount of cash and which are subject to insignificant changes in value. The Group considers highly liquid investments as a cash equivalent only when it has a short maturity of three month or less from the date of acquisition.

(c) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non current investments.

Current investments are carried at lower of cost and fair value.

Non current investments are valued at cost of acquisition. The carrying values of non current investments are reduced by the diminution (other than temporary) in the value of investment.

(d) Property, Plant and Equipment (PPE)

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.



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Notes forming part of Consolidated Financial Statements

Note 1 Significant Accounting policies and notes on accounts

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the entity.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided for property, plant and equipment on a written down value method from the month in which each asset is ready to use to allocate their cost, net of their residual values (i.e. 5%), over their estimated useful lives of as prescribed in Schedule II of the companies Act, 2013 except in respect of the assets where useful life is different other than those prescribed in Schedule II are used, based on technical evaluation by considering the nature & usage of assets, expected physical wear & tear etc.

Depreciation on assets added, sold or discarded during the year has been provided on pro-rata basis.

The assets' residual values, estimated useful lives and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Individual assets purchased during the year costing Rs 5,000 or less are depreciated in full, in the year of purchase.

Derecognition of Property, Plant and Equipment

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognized in the Consolidated Statement of profit and loss when the asset is derecognised.

(e) Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized on a straight line basis over the estimated useful economic life, from the date that they are available for use. Residual Value of intangible assets are considered as Nil. The amortization period and the amortization method are reviewed at each financial year end.

Derecognition of Intangible assets

Gains or losses arising from de-recognition of an intangible asset are recognized in the Consolidated Statement of Profit or Loss by comparing net disposal proceeds and the carrying amount of the asset.

(f) Capital work in progress (CWIP)

The cost of assets not ready to put to use before the year end are disclosed under Capital work in progress. CWIP includes product under development, construction of cafe including material/equipment in transit or received at site for use in projects. All revenue expenses incurred during construction period, which are exclusively attributable to acquisition/construction of property, plant and equipment or Products are capitalized at the time of commissioning of such assets.

(g) Impairment of Assets

At each balance sheet date, the Group assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in the Profit and loss Account to the extent the carrying amount exceeds the recoverable amount.

(h) Foreign Exchange Transactions

Foreign currency transactions are accounted at the exchange rates prevailing on the date of the transactions.

The foreign currency denominated monetary assets and liabilities are reported using the closing rate and gains or losses if any, at the year end in respect of these assets and liabilities, not covered by forward contracts, are recognised in Profit and Loss Account.

Exchange differences arising on repayment of liabilities incurred for the purpose of acquiring Property, plant & equipment are adjusted with the carrying amount of respective Property, plant & equipment.

Non-monetary items denominated in foreign currency are stated at the rate prevailing on the date of the transaction.

(i) Revenue Recognition

Sale of Products : Revenue from sale of goods is recognised when the significant risk, rewards and ownership of the goods have been transferred to the customer for a consideration. Revenue represents the net invoice value of the goods supplied and services rendered after deducting trade discounts and rebates, output Goods and Service Tax (GST) and other duties.

Sale of Services : Services revenue are recognised as the service are performed. Services provided pursuant to a contract are either recognized over the contract period or upon completion of the elements specified in the contract depending on the terms of the contract. Operating revenues from the integrated logistics services /distribution and maintenance of vending machines are recognized when the services are rendered. Revenues include unbilled as well as billed amounts.



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Note 1 Significant Accounting policies and notes on accounts

Other Income : Revenue arising from the use by others of enterprise resources yielding interest, royalties and dividends is recognised only when no significant uncertainty as to measurability or collectability exists. These revenues are recognised on the following basis:

Interest : on a time proportion basis taking into account the amount outstanding and the rate applicable.

Royalties : on an accrual basis in accordance with the terms of the relevant agreement.

Dividend : when the owner's right to receive payment is established.

(j) Borrowing Costs

Borrowing Cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowing and exchange differences arising from foreign currency borrowings (if any) to the extent they are regarded as an adjustment to the interest cost.

Borrowing cost directly attributable to the acquisitions, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur.

(k) Employee benefits expense

Short-Term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post-Employment Benefits

(A) 'Defined benefit plans

The Group pays gratuity to the employees who have completed five years of service with the Group at the time of resignation/superannuation. The gratuity is paid 15 days basic salary for every completed year of service as per the Payment of Gratuity Act, 1972. The liability in respect of gratuity is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services. The gratuity liability amount is unfunded and the unfunded accrued cost is recognised through a reserve in the Accounts of the Group exclusively for gratuity payment to the employees.

The Group has introduced the policy for the encashment of compensated absences. The benefit is payable when the employee retires or leaves the Group. The Group is making the actuarial valuation at the Balance Sheet date to calculate the current service cost based on estimated number of leave encashment, as per Group policy, as per AS-15 which is charged to the statement of profit and loss of the current year and considered in arriving the total liability at Balance Sheet date by applying appropriate discounting rate and Projected Unit Credit Method. The compensated absences liability amount is unfunded and the unfunded accrued cost is recognised through a reserve in the Accounts of the Group exclusively for compensated absences payment to the employees. (Actuarial report showing it funded)

(B) 'Defined contribution plans

Contribution to Provident fund, a defined contribution plan are made in accordance with the statute and are recognized as an expense when employees have rendered service entitling them to the contribution.

Group Contribution to state defined contribution plans namely Employees State Insurance are made in accordance with the statute and is recognized as an expense when employees rendered services entitling them to contribution.

(l) Taxes on income

Income taxes comprise of current tax and deferred tax.

Current tax is determined as the amount expected to be paid to/(recoverable from) taxation authorities, using applicable tax rates and tax laws.

In accordance with Accounting Standard (AS) -22- "Accounting for Taxes on income" Deferred tax expense or benefit is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets should be recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Whereas in case of unabsorbed depreciation or carry forward of losses under tax laws, deferred tax assets should be recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The Group offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

(m) Earning Per Share (EPS)

The Group reports the basic and diluted Earning Per Share in accordance with Accounting Standard 20 on "Earning Per Share".

Basic Earning Per Share is calculated by dividing the net profit or loss for the year by weighted average number of equity shares outstanding during the year.

Diluted Earning Per Share is calculated by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares except where the results are anti-dilutive.



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Notes forming part of Consolidated Financial Statements

Note 1 Significant Accounting policies and notes on accounts

(i) Provisions, Contingent Liabilities and Contingent Assets

Provision is recognized when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

Contingent liability is disclosed in the case of:
a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
a present obligation arising from past events, when no reliable estimate is possible.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A brief description of the nature of contingent asset, and where practicable, an estimate of their financial effect, at the end of reporting period is disclosed where an inflow of economic benefit is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

(o) Segment Reporting

The Group identifies segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the Executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Group. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

(p) Share-based payments

The fair value of options granted under Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in statement of profit and loss, with a corresponding adjustment to equity.



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(Amount in Rs. Lakhs)

2 Share Capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	Amount	Number	Amount
Authorized				
Equity Shares of ₹ 10/- each	2,10,000	21.00	2,10,000	21.00
0.001% Compulsory Convertible Preference Shares of ₹ 10/- each	50,000	5.00	50,000	5.00
	1,78,800	27.00	1,78,800	27.00
Issued capital				
Equity Shares of ₹ 10/- each	14,496	1.45	14,496	1.45
0.001% Series A Compulsory Convertible Preference Shares of ₹ 10/- each	12,028	1.20	12,028	1.20
0.001% Series B Compulsory Convertible Preference Shares of ₹ 10/- each	4,537	0.45	-	-
	31,061	3.11	26,524	2.65
Subscribed and Paid up capital				
Equity Shares of ₹ 10/- each	14,496	1.45	14,496	1.45
0.001% Series A Compulsory Convertible Preference Shares of ₹ 10/- each	12,028	1.20	12,028	1.20
0.001% Series B Compulsory Convertible Preference Shares of ₹ 10/- each	4,537	0.45	-	-
	31,061	3.11	26,524	2.65

2 a) Reconciliation of number of shares

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	Amount	Number	Amount
Equity Share				
Shares outstanding at the beginning of the year	14,496	1.45	14,496	1.45
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	14,496	1.45	14,496	1.45
0.001% Series A Compulsory Convertible Preference Shares				
Shares outstanding at the beginning of the year	12,028	1.20	4,547	0.45
Shares issued during the year	-	-	7,481	0.75
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	12,028	1.20	12,028	1.20
0.001% Series B Compulsory Convertible Preference Shares				
Shares outstanding at the beginning of the year	-	-	-	-
Shares issued during the year	4,537	0.45	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	4,537	0.45	-	-

1 b) Details of shareholders holding more than 5% shares in the company

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	Percentage	Number	Percentage
Equity Share				
Naraina Ardhana	7,815	53.91%	7,815	53.91%
Mati Chibhanjan	2,564	17.69%	2,564	17.69%
Snow Leopard Monocorn - LLP	2,183	15.06%	2,183	15.06%
Caari Karfozar	1,456	10.04%	1,456	10.04%
	14,018	96.76%	14,018	96.76%
0.001% Compulsory Convertible Preference Shares				
Snow Leopard Monocorn - II LLP	2,669	16.11%	2,669	22.19%
DSP Adika Holdings Pvt. Ltd.	1,184	7.16%	1,186	9.86%
Shuchi Kulkarni	1,392	8.40%	1,165	9.86%
Vista (ICI), (Indian)	1,374	8.29%	574	7.27%
ITPL Corporate Trustee Pvt Ltd	1,299	7.89%	-	-
Z Nation Lab Growth Fund	906	5.47%	-	-
Eight 1 Motion LLP	729	4.49%	729	6.06%
Eight Innovate Fund I	772	4.65%	772	6.42%
Vikramaditya Mohan Thapar Family Trust	668	4.03%	668	5.55%
	18,932	66.37%	8,814	67.37%

2 c) Right, Restriction & preference of Shares

Equity Shares

Each holder of equity shares is entitled to vote per share. The Company declares and pays dividends in India rupees. The dividend (if any) proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of Equity shares will be entitled to receive all the remaining assets of the company, after settlement of liabilities and distribution of all preferential amounts. The distribution will be in proportion to the number of Equity shares held by the share holder All the Equity Shares rank pari-passu.

0.001% Series A Compulsory Convertible Preference Shares (CCPS)

Each Compulsory Convertible Preference Share issued bears an interest rate of 0.001% per annum. The term for redemption of Preference shares is 20 years. The Series A CCPS shall be compulsorily convertible at the conversion ratio of 1:1 meaning that 1 Equity Share to be issued for each Series A CCPS held. The holder of the Series A CCPS shall be entitled to receive notice of and vote on all matters that are submitted to the vote of the Shareholders of the Company (including the holders of Equity Shares). Holder of the Series A CCPS will be able to exercise voting rights on the Series A CCPS as if the same were converted into Equity Shares.

0.001% Series B Compulsory Convertible Preference Shares (CCPS)

Each Compulsory Convertible Preference Share issued bears an interest rate of 0.001% per annum. The Series B CCPS shall be compulsorily convertible at the conversion ratio of 1:1 meaning that 1 Equity Share to be issued for each Series B CCPS held. (a) Upon occurrence of initial public offering. (b) Upon expiry of conversion date. (c) Upon happening of the Initial Public Offer (IPO), whichever is earlier. The holder of the Series B CCPS shall be entitled to receive notice of and vote on all matters that are submitted to the vote of the Shareholders of the Company (including the holders of Equity Shares). Holder of the Series B CCPS will be able to exercise voting rights on the Series B CCPS as if the same were converted into Equity Shares.

Subject to adjustments provided in paragraph 3 below of Schedule V of Shareholder's agreement, the Series B-1 CCPS shall be compulsorily convertible at the conversion ratio of 1:1 meaning that 1 Equity Share to be issued for each Series B-1 CCPS held: (a) upon the occurrence of the Institutional Funding Round; (b) upon the expiry of the Conversion Date; (c) upon happening of Initial Public Offerings (IPO), whichever is earlier.

Dividend shares issued pursuant to contract without payment being received in cash, allowed as fully paid up by way of bonus issues and brought back during the last 5 years to be given for each class of shares.

2 d) Shares allotted for consideration other than cash

Particulars	Year (Approximate No. of Shares)			
	2020-21	2019-20	2018-19	2017-18
Equity share of ₹ 10/- each fully paid were allotted in pursuant to the ESOP's exercised by the employees without payment being received in cash		28		
Other than the above mentioned issues, neither the Company has issued any shares pursuant to a contract without payment being received in cash nor has there been any buy-back of shares in the current year and preceding five years.				

2 e) Details of Shares held by the promoters of the company as on reporting date:

Name of Promoters	March 31, 2022		March 31, 2021		% Change during the Year
	No. of Equity Shares	% of Equity Shares	No. of Equity Shares	% of Equity Shares	
Equity Shares of Rs. 10/- each fully paid					
Naraina Ardhana	7,815	53.91%	7,815	53.91%	-
Mati Chibhanjan	2,564	17.69%	2,564	17.69%	-

Name of Promoters	March 31, 2021		March 31, 2020		% Change during the Year
	No. of Equity Shares	% of Equity Shares	No. of Equity Shares	% of Equity Shares	
Equity Shares of Rs. 10/- each fully paid					
Naraina Ardhana	7,815	53.91%	7,815	53.91%	-
Mati Chibhanjan	2,564	17.69%	2,564	17.69%	-



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(Amount in Rs. Lakhs)

3 Reserves and Surplus	As at March 31, 2022	As at March 31, 2021
Securities Premium		
Balance as per the last financial statements	5,942.43	2,084.78
Add: Premium on issue of Equity Shares	-	-
Add: Premium on issue of 0.001% Compulsory Convertible Preference Shares	3,757.50	3,857.65
Closing Balance	9,699.93	5,942.43
Employee stock option outstanding account		
Balance at the commencement of the year	166.21	-
Employees' stock compensation expense	-	-
Balance transferred to reserves (Security Premium)	-	-
Balance at the end of the year	166.21	-
Surplus/(Deficit) in the statement of Profit and Loss		
Balance as per last financial statements.	(2,300.76)	(1,584.59)
Add: Profit/(Loss) for the year	(1,233.06)	(716.17)
Net Profit/ (loss) in the statement of Profit and Loss	(3,533.82)	(2,300.76)
Total Reserves and Surplus	6,332.32	3,641.67

4 Long-Term Borrowings	As at March 31, 2022	As at March 31, 2021
Secured		
Term Loan from Bank (refer note (a))	-	1.38
Term Loan from Other Parties (refer note (b))	1.94	-
Working Capital Loan From Other Parties (refer note (c))	20.78	35.44
ECB Borrowing (refer note (d))	25.03	33.04
Unsecured		
Intercompany Loan	-	0.50
Loan from Directors	5.00	5.00
Total	52.75	75.36

(a) Term Loan from Bank of Rs. 5.1 Lakhs is secured against respective vehicle financed. The loan is repayable in 34 equal installments of Rs. 0.1806 Lakhs each by the end 15/11/2022.

(b) Term Loan from the other parties of Rs. 4.6 Lakhs secured against the respective vehicle financed. The loan is repayable in 36 months payable in monthly installment of Rs. 0.1651 Lakhs each including interest.

(c) The Secured Working Capital Loan has been sanctioned for Rs. 44 Lakhs from Other parties carrying interest @ 14% p.a. (Approx). The total tenure of the loan is 48 months. The above loans is secured against hypothecated property under second rank charge over asset financed under emergency credit line guarantee scheme of the borrower.

(d) In previous financial year 2020-21, the Joint Venture had taken a loan as ECB borrowing from NASA CORPORATION (acting on behalf and for account of Fuso Industries Co., Ltd.), a company organized and existing under the laws of Japan, having its principal offices at 78-4 Kanda-Sakumagashi, Chiyoda-ku, Tokyo, 101-0026, Japan, hereinafter referred to as "NASA. Quarterly payments shall be made to NASA's bank account on the 20th of every quarter starting from 20th May 2021 to 20th February 2026. The Machinery remains as the property of NASA until the settlement of the total payment: JPY 1,439,700. The Invoice value of the Machine is JPY 1,14,39,700 which includes ECB Loan along with interest payable on it. Machinery has been capitalized with the invoice value.

5 Other Long term liabilities	As at March 31, 2022	As at March 31, 2021
Security Deposits Received	12.84	-
Total	12.84	-

6 Long-term provisions	As at March 31, 2022	As at March 31, 2021
Provision for Employee Benefits		
Gratuity	89.54	27.45
Compensated absences	52.32	4.72
Total	141.86	32.17

7 Short Term Borrowings	As at March 31, 2022	As at March 31, 2021
Secured		
Current Maturity of Long Term Borrowings (refer Note-4 (a),(b)&(c))	17.65	17.03
Working Capital Loan From Other Parties (refer Note-7 (a),(b))	1,000.56	500.00
Unsecured		
Working Capital Loan From Banks	18.87	-
Total	1,037.08	517.03

(a) The Secured Working Capital Loan has been sanctioned for Rs. 1,000 Lakhs from other parties carrying interest @ 16% p.a. (Approx). The total tenure of the loan is 18 months. The above loans is secured against the senior, secured, first ranking, floating, exclusive charge over all the current assets of the Group & personal guarantee of the directors.

(b) The Secured Working Capital Loan has been sanctioned for Rs. 1,200 Lakhs from other parties carrying interest @ 15.50% p.a. (Approx). The total tenure of the loan is 18 months. The above loans is secured against the senior, secured, first ranking, floating, exclusive charge over all the current assets of the Group.



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8 Trade Payables	As at March 31, 2022	As at March 31, 2021
Dues of micro enterprises and small enterprises	46.79	12.97
Dues of creditors other than micro enterprises and small enterprises	624.46	333.25
Total	671.25	346.22

Note: Based on the information available with the Group, the balance due to micro and small enterprises as defined under the MSMED Act, 2006 in the current year is Rs. 46.79 Lakhs (Previous year Rs. 12.97 Lakhs) which comprise amounts outstanding for not more than 45 days as at Balance Sheet date and no interest during the year has been paid or is payable under the terms of the MSMED Act, 2006.

Trade Payables ageing schedule as on 31st March, 2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 years	2-3 Years	More than 3 Years	
(i) MSME	46.79	-	-	-	46.79
(ii) Others	586.50	9.69	15.55	12.72	624.46
(iii) Disputed Dues- MSME	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-
Total	633.29	9.69	15.55	12.72	671.25

Trade Payables ageing schedule as on 31st March, 2021

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 years	2-3 Years	More than 3 Years	
(i) MSME	12.97	-	-	-	12.97
(ii) Others	291.71	28.52	4.26	8.76	333.25
(iii) Disputed Dues- MSME	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-
Total	304.68	28.52	4.26	8.76	346.22

9 Other Current Liabilities	As at March 31, 2022	As at March 31, 2021
Statutory dues	68.07	52.78
Advance from Customer	39.18	20.00
Advance from Directors	0.41	-
Employee dues	59.43	4.72
Security Deposits Received	21.14	23.79
Other payables	54.77	26.59
Total	243.00	127.88

10 Short-term provisions	As at March 31, 2022	As at March 31, 2021
Provision for Employee Benefits		
Gratuity	10.38	8.89
Compensated absences	11.96	17.33
Provision for others	-	40.00
Total	22.34	66.22



Muhavra Enterprises Private Limited
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Notes forming part of Consolidated Financial Statements

(Amount in Rs. Lakhs)

Particulars	Gross Block		Deletions / adjustments		At March 31, 2022	At March 31, 2021	Depreciation/ Amortisation For the year	Deletions / adjustments	Net Block	
	At April 1, 2021	Additions	At March 31, 2022	At March 31, 2021					At March 31, 2022	At March 31, 2021
10(A) Property, Plant & Equipments										
Furniture & Fixtures	159.90	186.92	546.87	-	70.09	229.99	-	316.88	200.01	655.36
Plant & Machinery	1,039.34	471.50	1,510.84	-	153.51	537.59	-	973.25	144.09	1,117.34
Office Equipments	398.39	275.61	624.00	-	121.55	375.85	-	248.15	17.08	5.10
Motor Vehicles	9.63	16.11	25.73	-	4.13	8.66	-	17.08	16.03	433.89
Computers & allied Peripherals	82.17	79.83	162.00	-	38.64	104.78	-	57.22	56.01	-
Leasehold Improvements	942.09	329.01	1,271.50	-	213.99	722.59	-	548.91	-	-
10(B) Intangible assets										
Know How Asset	-	56.01	56.01	-	-	-	-	56.01	-	-
Brand	-	0.25	0.25	-	0.04	0.04	-	0.21	-	-
Logo	0.24	0.65	0.89	-	0.12	0.13	-	0.74	-	-
Trademark	-	0.11	0.11	-	0.00	0.00	-	0.10	-	-
Software	60.83	37.31	98.14	-	32.02	52.24	-	45.90	-	-
Website	5.38	-	5.38	-	1.08	2.04	-	3.34	-	-
10(C) Capital Work in Progress										
Product under development	30.65	25.36	56.01	-	-	-	-	-	-	-
10(D) Intangible assets under development										
Software under development	17.29	63.07	29.76	-	49.60	-	-	49.68	-	-
Total (A+B+C)	2,546.29	1,490.79	4,351.32	85.76	635.17	2,033.92	49.98	2,317.40	1,547.55	1,648.46
Previous Year	2,598.49	425.03	2,946.29	77.33	954.58	1,398.75	49.98	1,398.75	1,547.55	1,648.46

Capital Work in Progress ageing schedule as on 31st March, 2021

Capital Work in Progress	Amount in CVWP for a period of			Total
	Less than 1 year	1-2 years	More than 3 years	
Projects in progress	12.56	18.08	-	30.65
Intangible Assets under development ageing schedule as on 31st March, 2022				
Intangible assets under development				
	Amount in CVWP for a period of:			Total
	Less than 1 year	1-2 years	More than 3 years	
Projects in progress	38.56	11.04	-	49.60
Intangible Assets under development ageing schedule as on 31st March, 2021				
Intangible assets under development				
	Amount in CVWP for a period of:			Total
	Less than 1 year	1-2 years	More than 3 years	
Projects in progress	17.29	-	-	17.29



Muhavra Enterprises Private Limited
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12 Non-Current Investments	As at	As at
	March 31, 2022	March 31, 2021
Investment in Equity Instruments		
(i) In Associate Company Unquoted Fully Paid up 50 (P.Y. NIL) Equity share fully paid up @ JPY 2,00,000/- per share (100 JPY = 67.42) in Blue Tokai Coffee Japan (Including Goodwill of Rs. 67.42 lakhs (P.Y. NIL) Add: Share in Post Acquisition Profit/ (Loss) of Associate	67.42	-
	67.42	-
Total	67.42	-
Aggregate amount of quoted Investments and market value thereof	-	-
Aggregate amount of unquoted Investments	67.42	-
13 Deferred tax Asset (Net)	As at	As at
	March 31, 2022	March 31, 2021
Deferred Tax Assets :		
on Timing difference on depreciation and amortisation of tangible & intangible assets	209.12	496.87
on Provision for Gratuity & Compensated absences	42.69	15.18
on Carryforward losses & Unabsorbed depreciation	585.38	-
Net Deferred Tax Asset	837.19	512.05
14 Long Term Loans & Advances	As at	As at
	March 31, 2022	March 31, 2021
Unsecured, Considered good		
Capital Advances	58.03	7.18
Total	58.03	7.18
15 Other Non-Current Assets	As at	As at
	March 31, 2022	March 31, 2021
Unsecured, Considered good		
Security Deposits	386.39	265.86
Fixed deposit having maturity more than 12 months	3.98	5.42
Total	390.37	271.28
16 Current Investments	As at	As at
	March 31, 2022	March 31, 2021
Investment in Mutual Funds Units of DSP Ultra Short Fund [No. of Units- NIL (PY-17,886.955), NAV- NIL(PY-2,854.3123), MV- NIL (PY-5,10,54,955.67)]	-	498.83
Total	-	498.83
17 Inventories	As at	As at
	March 31, 2022	March 31, 2021
Raw Materials	571.03	297.14
Stock In Trade	409.79	451.24
Stock of Packing Materials	485.97	78.98
Total	1,466.79	827.36
(Raw material includes Goods in transit Rs. 82.85 in CY (123.24 in PY)) (Stock in Trade includes Goods in transit Rs. 81.64 in CY (65.71 in PY)) (Packing Material includes Goods in transit Rs. 0.73 in CY (15.93 in PY))		
18 Trade Receivables	As at	As at
	March 31, 2022	March 31, 2021
Unsecured, considered good	583.22	351.11
Total	583.22	351.11



Muhavra Enterprises Private Limited

(CIN - U15492HR2012PTC047234)

Notes forming part of Consolidated Financial Statements

Trade Receivables ageing schedule as on 31st March, 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less Than 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Undisputed Trade receivables :							
(i) Considered Good	269.04	208.82	24.04	45.68	17.71	17.95	583.22
(i) Considered Doubtful	-	-	-	-	-	-	-
Disputed Trade Receivables :							
(i) Considered Good	-	-	-	-	-	-	-
(i) Considered Doubtful	-	-	-	-	-	-	-
Total	269.04	208.82	24.04	45.68	17.71	17.95	583.22

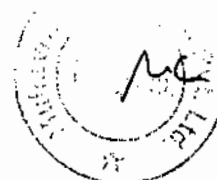
Trade Receivables ugelng schedule as on 31st March, 2021

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less Than 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Undisputed Trade receivables :							
(i) Considered Good	26.59	185.65	58.64	49.93	19.89	10.40	351.11
(i) Considered Doubtful	-	-	-	-	-	-	-
Disputed Trade Receivables :							
(i) Considered Good	-	-	-	-	-	-	-
(i) Considered Doubtful	-	-	-	-	-	-	-
Total	26.59	185.65	58.64	49.93	19.89	10.40	351.11

19 Cash and Bank Balances	As at	As at
	March 31, 2022	March 31, 2021
Cash and Cash Equivalents		
Cash in hand	3.36	0.39
Balances with Banks in Current Account	299.69	54.63
	303.05	55.02
Other Bank Balances		
Balances with bank held as Fixed Deposits (having maturity more than 3 months but less than 12 months)	1,574.04	422.30
	1,574.04	422.30
Total	1,877.09	477.32

20 Short Term loans and advances	As at	As at
	March 31, 2022	March 31, 2021
Unsecured, Considered good		
Advance to Supplier for Goods & Services	480.72	178.75
Loan and advance to employees	18.46	17.18
Imprest Accounts	5.73	3.38
Balance with Government Authorities	311.28	111.18
Prepaid Expense	48.72	5.60
Total	870.91	316.09

21 Other Current Assets	As at	As at
	March 31, 2022	March 31, 2021
Other Receivables	8.45	0.43
Unsecured, Considered good		
Security Deposits	39.68	-
Total	48.13	0.43



Muhavra Enterprises Private Limited
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22 Revenue from operation	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Sale of Coffee and other items	7,396.19	4,096.50
Total	7,396.19	4,096.50

23 Other Income	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Interest Income	20.61	16.97
Income from Mutual Funds	22.00	8.83
Miscellaneous Income	41.04	8.46
Total	83.65	34.26

24 Cost of materials consumed	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Inventory at the beginning of the year		
Raw Materials	297.14	346.58
Packaging Materials	78.98	76.72
	376.12	423.30
Add: Purchases		
Raw Materials	2,732.66	1,158.97
Direct Expenses	66.11	45.42
Packaging Materials	491.46	262.72
	3,290.23	1,467.11
Less: Inventory at the end of the year		
Raw Materials	571.03	297.14
Packaging Materials	485.97	78.98
	1,057.00	376.12
Total	2,609.35	1,514.29

25 Purchases of stock in Trade	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Purchases of Stock in Trade	521.93	375.33
Total	521.93	375.33

26 Changes in Inventories of finished goods and work in progress and Stock in Trade	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Inventory at the beginning of the year		
Stock in Trade	451.24	290.73
	451.24	290.73
Less: Inventory at the end of the year		
Stock in Trade	409.79	451.24
	409.79	451.24
Change in Inventories	41.45	(160.51)

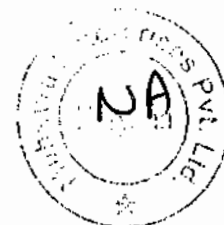
27 Employee Benefit Expenses	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Salaries and Wages	2,003.12	1,201.82
Contribution to Provident and other funds	24.86	44.79
Staff Welfare	6.68	3.41
Expenses on Employee Stock Option Scheme (Refer Note -35)	166.21	-
Total	2,200.87	1,250.02

28 Finance costs	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Interest Expense		
Interest on Borrowings	128.31	70.26
Other Borrowing Cost	41.78	25.97
Total	170.09	96.23



Muhavra Enterprises Private Limited
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Notes forming part of Consolidated Financial Statements

29 Other Expenses	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Aggregator service charge	564.92	277.76
Business Promotion and training Expenses	353.38	208.52
Freight outwards and Transportation	195.65	161.02
Power and Fuel	196.32	112.63
Rent	935.15	485.43
Cafe expenses	115.15	54.53
Legal & Professional Fees	64.53	34.88
Website and Software Expenses	71.46	45.46
Repair and maintenance	60.69	41.59
GST Expenses	6.99	20.61
VAT Expenses	4.32	-
Insurance Expenses	30.67	38.19
Merchant charges	27.45	23.83
Fixed asset discarded	-	22.50
Travelling, Conveyance & Accomodation	48.61	20.57
Telephone & Communication Expense	17.58	14.20
Bank Charges	5.05	10.93
Bad Debts	47.41	9.38
Listing Fees	6.72	-
Office Expenses	8.08	3.84
Printing & Stationery	6.79	3.65
Rates & Taxes	38.48	18.60
Designing	2.00	-
Miscellaneous Expense	51.78	43.87
Total	2,859.18	1,651.99



Muhavra Enterprises Private Limited
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Notes forming part of Consolidated Financial Statements

(Amount in Rs. Lakhs)

30 Related Party Disclosure

a) Name of Related parties and nature of relationships with them during the year/previous year:

Nature of relationship	Name of Related Party
Joint Venture	Organi Dripbag Private Limited
Associate Company	Blue Tekai Coffee Japan.
Key Management Person	Matthew Joseph Chitharanjan Christopher Kolenaty Namrata Athana Tomoyoshi Kobori

b) Transactions during the year with related parties

Particulars	Joint Venture		Associate		Key Management Person	
	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021
Remuneration	-	-	-	-	58.56	41.47
Purchase of Goods	15.31	1.82	-	-	-	-
Rental Income	1.80	-	-	-	-	-
Expense Recovery	5.76	-	-	-	-	-
Investment in Equity shares	-	-	67.42	-	-	-
Sale of Products	2.65	-	-	-	-	-
Unsecured Loan received	-	-	-	-	0.30	5.00
Total	45.52	1.82	67.42	-	58.86	46.47

c) Outstanding balances with related parties

Particulars	Joint Venture		Associate		Key Management Person	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
Balance Receivable(Payable)	18.96	3.42	-	-	(5.41)	-
Total	18.96	3.42	-	-	(5.41)	-

31 Payments to Auditor

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Payment to Auditor as*		
a. Statutory Audit		
Standalone Financial Statement	4.33	1.73
Consolidated Financial Statement	0.75	-
b. Tax Audit	1.25	0.50
c. Transfer Pricing Audit	8.20	-
Total	6.53	2.43

* Auditor's remuneration (included in legal and professional charges and excludes goods and service tax)

32 Contingent Liability

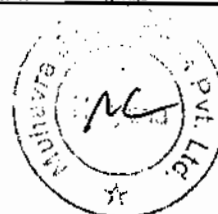
Particulars	As at 31 March 2022	As at 31 March 2021
Income Tax Matters (AY 2016-17)	153.69	153.69
Other matters (Net of Provision of estimated liability)	-	20.00
Total	153.69	173.69

33 Enterprises consolidated as Subsidiary and Joint Venture in accordance with the Accounting Standard 21 - "Consolidated Financial Statements", Accounting Standard 27 - "Financial Reporting of Interests in Joint Ventures" and Accounting Standard 23 - "Accounting for Investments in Associates in Consolidated Financial Statements".

Name of Entity	As At March 31, 2022		As At March 31, 2021	
	Country of Incorporation	Proportion of ownership interest	Country of Incorporation	Proportion of ownership interest
GAC Enterprises Private Limited	India	99.998%	India	99.998%
Organi Dripbag Private Limited	India	50.00%	India	50.00%
Blue Tekai Coffee Japan	Japan	33.33%	-	-

34 Additional information as required under Schedule III to the Companies Act, 2013 of enterprises consolidated as Subsidiary, Joint Venture & Associate

Name of the entity	As at March 31, 2022				As at March 31, 2021			
	Net Assets, i.e., Total assets minus total liabilities		Share in Profit or loss		Net Assets, i.e., Total assets minus total liabilities		Share in Profit or loss	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or loss	Amount	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or loss	Amount
Parent:								
Muhavra Enterprises Private Limited	100.23%	6,358.32	99.32%	(1,234.70)	100.18%	3,650.86	99.09%	(709.64)
Subsidiary:								
GAC Enterprises Private Limited	-0.02%	(1.32)	0.48%	(5.91)	0.13%	4.60	0.06%	(0.40)
Joint Venture:								
Organi Dripbag Private Limited	0.30%	18.79	0.01%	(0.08)	0.52%	18.87	0.86%	(6.13)
Associate:								
Blue Tekai Coffee Japan	0%	-	0%	-	0%	-	0%	-
Minority Interest	0.00%	(0.00)	0.00%	(0.00)	0.00%	0.00	0.00%	(0.00)
Adjustments arising out of Consolidation	-0.51%	(32.36)	0.19%	(2.37)	-0.82%	(30.00)	0.00%	(0.00)
Total	100%	6,326.43	100%	(1,237.06)	100%	3,644.33	100%	(716.17)



Muhavra Enterprises Private Limited
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Notes forming part of Consolidated Financial Statements

(Amount in Rs. Lakhs)

35 Employee Benefits

The disclosures required under Accounting Standard 15 "Employee Benefits", the disclosures as defined in the Accounting Standard are given below related to holding company as there is no employee benefits payable in subsidiary company and Joint Venture:

Defined Contribution Plan

Defined contribution plan recognized and debited to the Consolidated Statement of Profit and Loss are as under:

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
A. Employer's contribution to provident fund	82.54	51.82
B. Employer's contribution to state plan		
i) Employee state insurance	16.49	

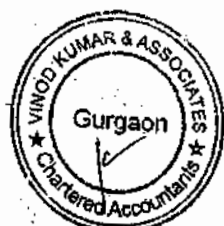
Defined Benefit Plan

The holding company is providing the Compensated Absence and Gratuity as defined benefits plans. The subsidiary company and Joint Venture has not maintained any Gratuity Fund or made any contribution to any recognized fund.

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Particulars	31 March 2022		31 March 2021	
	Compensated Absence	Gratuity	Compensated Absence	Gratuity
Present value of obligation as at the beginning of year	22.05	36.34	-	-
Interest cost	1.22	2.01	-	-
Past service cost	-	-	-	-
Current service cost	38.18	13.58	22.05	36.34
Benefits paid	(1.61)	(1.30)	-	-
Actuarial (gain) / loss on obligation	4.43	49.29	-	-
Present value of obligation as at end of year	64.27	99.92	22.05	36.34
Change in Fair Value of Plan Assets				
Fair value of plan assets at the beginning of the year	-	-	-	-
Expected return on plan assets	-	-	-	-
Contributions	-	-	-	-
Benefits paid	-	-	-	-
Fair value of plan assets at the end of the year	-	-	-	-
Actuarial (loss)/gain on plan assets	-	-	-	-
Net Asset/(Liability) Recognised in the Balance Sheet				
Present value of obligation as at the end of the year	64.27	99.92	22.05	36.34
Fair value of plan assets at the end of the year	-	-	-	-
Funded status	-	-	-	-
Excess of actual over estimated	-	-	-	-
Unrecognized actuarial (gains)/ losses	-	-	-	-
Net (liability)/assets recognized in Balance Sheet	64.27	99.92	22.05	36.34
Current / Non Current Bifurcation				
Current obligation	11.96	10.38	17.33	8.89
Non Current obligation	52.32	89.54	4.72	27.45
Net (liability)/assets recognized in Balance Sheet	64.28	99.92	22.05	36.34
Expense recognised in the Statement of Profit & Loss				
Current service cost	38.18	13.58	22.05	36.34
Past service cost	-	-	-	-
Interest cost	1.22	2.01	-	-
Expected return on plan assets	-	-	-	-
Net actuarial (gain) / loss recognized in the year	4.43	49.29	-	-
Expenses recognized in the Statement of Profit and Loss	43.83	64.88	22.05	36.34
Actuarial assumptions				
Discount Rate	6.10 % p.a.	6.10 % p.a.	5.54 % p.a.	5.54 % p.a.
Expected Rate of increase in compensation level	10 % p.a.	10 % p.a.	10 % p.a.	10 % p.a.
Demographic Assumption				
Mortality	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)
Retirement age	55	55	58	58
Attrition/Withdrawal rate (%) - upto 58 years	19.28%	19.28%	60%	60%

The estimates of future increase in compensation levels, considered in actuarial valuation, take account of inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market. Discount rate is based on the gross redemption yield on medium to long term risk free investments. The term of the risk free investments has to be consistent with the estimated term of benefit obligations.



Muhavra Enterprises Private Limited
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(Amount in Rs. Lakhs)

36 Earning Per Share

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
	(Amount in Rupees)	
Face Value per equity share	10	10
Profit/(Loss) attributable to ordinary shareholder	(12,33,06,022)	(7,16,16,829)
Weighted average number of ordinary Shares	14,496	14,496
Earning per share (Basic)	(8,506.21)	(4,940.45)
Profit/(Loss) attributable to ordinary shareholder	(12,33,06,022)	(7,16,16,829)
Weighted average number of ordinary Shares	14,496	14,496
Weighted average number of potential equity Shares	13,958	9,810
Total weighted average number of equity Share for DPS	28,454	24,306
Earning per share (Diluted)	(4,333.60)	(2,946.47)

The Entity's Earnings Per Share (EPS) is determined based on the net profit attributable to the shareholders of the Entity. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive. The Company has not considered effect of dividend on 0.001% Compulsorily Convertible preference share (CCPS) issued in FY 2021-22 while calculating diluted earning per share.

37 Employee Stock Option Scheme

The Holding Company initiated the "Employee Stock Option Scheme 2017" for all eligible employees in pursuance of the special resolution approved by the shareholders in the Annual General Meeting and as amended on 22nd April, 2021. The scheme covers all directors and employees (except promoters or those belonging to the promoter's group, independent directors and directors who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the outstanding Shares of the Holding Company). Under the Scheme, the Board of Directors, administers the Scheme and grants stock options to eligible directors or employees of the Holding Company. The Committee determines the employees eligible for receiving the options and the number of options to be granted subject to overall limit of 824 equity shares of a face value of Rs. 10 each outstanding at any point of time. The vesting period of any option granted shall not be greater than forty eight months from the date of the grant of option. The Board decided the exercise price of ₹10 per equity share of ₹ 10 each.

The Fair value at grant date is determined using Intrinsic Value method, which takes into account exercise price and market price.

Following Employee Stock option scheme arrangement:

Option Series	Number	Grant date	Expiry Date	Exercise Price	Intrinsic value at grant date
ESOP 2017	346	23-04-2021	23-04-2022	10	51,566

During the year no share options have been exercised by the employees.

Movements in share options during the year

Particulars	For the year ended		For the year ended	
	31st March, 2022		31st March, 2021	
	Number of Options	Exercise price	Number of Options	Exercise price
Balance at beginning of year	-	-	-	-
Granted during the year	346	10	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Balance at end of year	346	10	-	-



Muhavra Enterprises Private Limited
(CIN - U15492HR2012PTC047234)
Notes forming part of Consolidated Financial Statements

(Amount in Rs. Lakhs)

38 Earning and expenditures in foreign Currency (On accrual basis)

	Year ended 31 March, 2022	Year ended 31 March, 2021
Earning in foreign currency		
Export of goods (FOB value)	53.56	22.27
Total	53.56	22.27
Expenditure in foreign currency		
Purchase of stock-in-trade and packing material	175.30	222.23
Machinery and equipment	33.19	5.76
Software	18.89	13.37
Other expenses	18.23	45.32
Total	245.61	286.68
CIF Value of Import		
Purchase of Fixed Assets	0.13	41.55
Import of Goods	20.47	7.25
Total	20.60	48.79

39 Segment reporting

The Group has identified two primary reporting segments based on nature of products sold viz. Coffee and other items & Merchandise. The information regarding secondary reporting segments based on products/ services is not available.

Segment Revenue	Year ended 31 March, 2022	Year ended 31 March, 2021
Sale of coffee	4,634.09	2,700.53
Sale of merchandise and other items	2,762.10	1,395.97
Total	7,396.19	4,096.50

Note: Details of segment assets, liabilities, expenses have not been given as the same is not separately identifiable.

40 The figures for the corresponding previous year have been regrouped / reclassified wherever necessary, to make them comparable.

41 Analytical ratios are not relevant at the Consolidated Financial Statement level and hence not disclosed here.

42 Additional Regulatory Information

- i No Immovable Property are held by the Group as on the date of balance sheet.
- ii The Property Plant & Equipment and intangible assets has not been revalued during the current financial year 2021-22.
- iii During the period, the company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties.
- iv The Group has not been declared wilful defaulter by any bank or financial Institution or other lender.
- v The Group do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- vi The Group has no transactions with any company struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- vii There are 2 charges of holding company to be registered as in case of vehicle loan generally bank is not asking for the same except that there were not any charges or satisfaction yet to be registered with Registrar of Companies as on the date of balance sheet.
- viii As per provision of section 135 of Companies Act, the provision of Corporate Social Responsibility are not applicable to the Group.
- ix The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- x The Group has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall :
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- xi The Group has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

As per our Report of even date attached
For Vinod Kumar & Associates

Chartered Accountants
FRN No. 002304A

Mukesh Bhatnagar
(Partner)
Membership No. 511741
Date: 27th September, 2022
Place: New Delhi

For and on behalf of Board of Directors

Matthew Joseph Chitharanjan
(Director)
DIN : 06368646

Namrata Asthana
(Director)
DIN : 06368654

INDEPENDENT AUDITORS' REPORT

**To the Members of
 Muhavra Enterprises Private Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **Muhavra Enterprises Private Limited** ("the Company"), which comprise the Standalone Balance sheet as at 31st March 2022, and the Standalone Statement of profit and loss, and Standalone Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2022, and its loss and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than Financial Statements and Auditor's Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Head Office:
 4696 Brij Bhawan
 21A Ansari Road
 Darya Gari,
 New Delhi-110002, INDIA
 Tel : +91-11-2328-8101

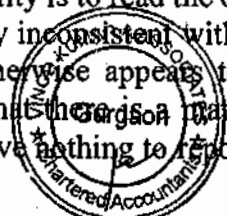
Corporate Office:
 GLOBAL BUSINESS SQUARE
 Building No. 32, Sector 44,
 Institutional Area Gurgaon,
 122003, India
 Tel : +91-124-4786-200

Nehru Place:
 503, Chiranjiv Tower,
 43, Nehru Place
 New Delhi 110019, India
 +91-11-2622-3712,
 2622-6933

Mumbai:
 305-306, 3rd Floor,
 Garnet Palladium,
 Behind Express Zone,
 Off Western Express
 Highway, Goregaon (East),
 Mumbai - 400063

Karol Bagh:
 17A/55, Triveni Plaza,
 Gurudwara Road,
 Karol Bagh,
 New Delhi- 110005
 Tel : +91-11-4504-4453

Chandigarh:
 SCO-705, 1st Floor,
 NAC Manimajra
 Chandigarh-160101, India
 Tel : +91-172-507-7789,
 5077-790



Management's Responsibility for the Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, loss and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss, and Standalone Statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) Being a Private Company, pursuant to the Notification No. GSR 464(E) dated 5th June, 2015, as amended by Notification No. GSR No.583(E) dated 13th June, 2017, issued by the Central Government of India, reporting requirement prescribed in clause (i) of sub-section (3) of section 143 of the Act is not applicable; and



- g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its financial statements – Refer Note 32 to the financial statements;
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education & Protection Fund by the company; and
 - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
 - (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or
 - on behalf of the Funding Party or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
 - (c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (iv) (a) and (iv) (b) above contain any material misstatement.
 - v. The company has not declared and paid any dividend during the year and has not proposed final dividend for the year. Accordingly, reporting in this regard is not applicable to the Company.

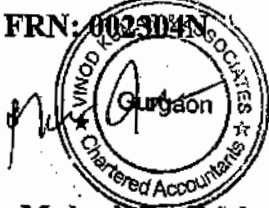


3. With respect to the matter to be included in the Auditors' Report under section 197(16).

The company is not a public company, accordingly provision of Section 197(16) of the Act is not applicable to company.

For Vinod Kumar & Associates
Chartered Accountants

FRN: 002504N



Mukesh Dadhich

Partner

M. No.: 511741

UDIN: 22511741BBPCYY2774

Date: 26th September, 2022

Place: New Delhi

Annexure A to the Independent Auditors' Report

The Annexure referred to in our Independent Auditor's Report to the members of the company on the Standalone financial statements for the year ended 31st March, 2022, we report that:

- (i)
- (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.
 - (a)(B) The Company has maintained proper records showing full particulars of Intangible Assets.
 - (b) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has a programme of physical verification of its Property, plant and equipment are verified in a phased periodical manner, which in our opinion is reasonable having regard to the size of the company and nature of its business. No material discrepancies were noticed on such physical verification.
 - (c) According to the information and explanations given to us, the company does not hold any immovable property. Thus, paragraph 3(i)(c) of the order is not applicable.
 - (d) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right of Use assets) or Intangible assets or both during the year.
 - (e) According to the information and explanation given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii)
- (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management are appropriate. The company has maintained the proper records of inventory. No discrepancies noticed on verification between the physical stock and the book records that were 10% or more in the aggregate for each class of inventory.
 - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Thus, paragraph 3(ii)(b) of the order is not applicable.
- (iii)
- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not provided any guarantee or security to companies, firms, limited liability partnership during the year. The company has made investment during the year. Hence the reporting under 3(iii)(a)(A), 3(iii)(a)(B), 3(iii)(c), 3(iii)(d), 3(iii)(e) & 3(iii)(f) is not applicable.



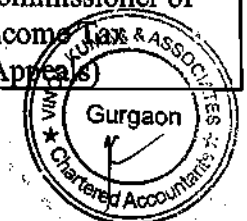
- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the Investment made in associate company are prima facie, not prejudicial to the interest of the Company.
- (iv) According to information and explanation given to us and on the basis of our examination of the records, the company has complied with the provisions of Section 185 & 186 of the Act, with respect to the loans, investments, securities and guarantees made to the extent applicable.
- (v) To the best of our knowledge and according to the information and explanations given to us, the company has not accepted any deposits or amounts which are deemed to be deposits during the year. Hence, reporting under clause 3(v) of the order is not applicable.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Therefore, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted/ accrued in the books of accounts in respect of undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Services Tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at 31st March 2022 for a period of more than six months from the date they become payable, except for the following dues:

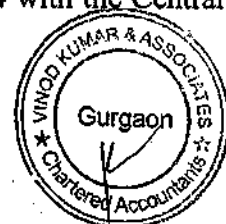
Name of Statute	Amount (in Lakhs)
Employees' Provident Fund and Miscellaneous Act, 1952	Rs. 1.73
Employees State Insurance Act, 1948	Rs. 1.82

- (b) According to the information and explanations given to us, there are no dues of Goods and Services Tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess or other material statutory dues which have not been deposited with the appropriate authorities on account of any disputes, except for the following due:

Nature of Statute	Nature of the dues	Period to which the amount relates	Demand Amount (Rs.in lakhs)	Paid Amount (Rs.in lakhs)	Forum where Dispute is pending
Income tax Act, 1961	Income Tax	A.Y. 2016-17	Rs. 153.69	Nil	Commissioner of Income Tax & Associates (Appeals)



- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- (ix)
- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender during the year.
 - (b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
 - (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
 - (d) According to the information and explanations given to us and on an overall examination of the Standalone balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company during the year.
 - (e) According to the information and explanations given to us and on an overall examination of the Standalone balance sheet of the company, we report that company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary, associate or joint venture.
 - (f) According to the information and explanations given to us and on an overall examination of the Standalone balance sheet of the company, we report that, company has not raised loans during the year on the pledge of securities held in its subsidiary, associate or joint venture.
- (x)
- (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.
 - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has complied with provisions of Companies Act, 2013 while issuing 0.001% compulsory convertible preference shares during the year. The funds raised have been used for the purposes for which the funds were raised.
- (xi)
- (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
 - (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.



- (c) Based on examination of the books and records of the Company and according to the information and explanations given to us, the company has not received any whistle blower complaints during the year.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) In our opinion and based on our examination, the Company does not have an internal audit system and is not required to have internal audit system as per the provisions of the Companies Act, 2013. Hence, reporting under clause 3(xiv)(b) of the Order is not applicable.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi)
- (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has incurred cash losses of Rs. 923.61 lakhs in the financial year 2021-22 and Rs. 595.55 lakhs in the immediately preceding financial year 2020-21.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



- (xx) In our opinion and according to the information and explanations given to us, there is no amount required to be spent by the company under sub-section (5) of section 135 of the Companies Act, 2013. Accordingly, clause 3 (xx) of the Order is not applicable to the Company.

For Vinod Kumar & Associates

Chartered Accountants

FRN: 002304N



Mukesh Dadhich

Partner

M. No. 511741

UDIN: 22511741BBPCYY2774

Date: 26th September, 2022

Place: New Delhi

Muhavra Enterprises Private Limited
(CIN - U15492HR2012PTC047234)
Balance Sheet as at 31 March, 2022

(Amount in Rs. Lakhs)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
A. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share Capital	2	3.11	2.65
(b) Reserve and Surplus	3	6,347.21	3,648.21
		6,350.32	3,650.86
2. Non Current Liabilities			
(a) Long-term borrowings	4	22.72	36.82
(b) Other Long term liabilities	5	12.84	-
(c) Long-term provisions	6	141.86	32.17
		177.42	68.99
3. Current Liabilities			
(a) Short Term Borrowings	7	1,037.08	517.03
(b) Trade Payables	8	-	-
-Dues of micro enterprises and small enterprises		46.79	12.97
-Dues of creditors other than micro enterprises and small enterprises		613.95	332.00
(c) Other Current Liabilities	9	240.71	129.81
(d) Short-term provisions	10	22.34	66.22
		1,960.87	1,058.03
TOTAL		8,488.61	4,777.88
B. ASSETS			
1. Non-Current Assets			
(a) Property Plant and Equipment & Intangible Assets			
(i) Property, Plant & Equipments	11(A)	2,123.23	1,410.90
(ii) Intangible Assets	11(B)	105.25	45.03
(iii) Capital Work in Progress	11(C)	-	30.65
(iv) Intangible assets under development	11(D)	49.60	17.29
(b) Non-Current Investments	12	97.42	30.00
(c) Deferred Tax Assets (Net)	13	838.92	513.00
(d) Long Term Loans & Advances	14	58.03	7.18
(d) Other Non-Current Assets	15	390.37	271.28
		3,662.82	2,325.33
2. Current Assets			
(a) Current Investments	16	-	498.83
(b) Inventories	17	1,452.42	820.61
(c) Trade Receivables	18	583.99	351.10
(d) Cash and Bank Balances	19	1,874.56	470.38
(e) Short-term loans and advances	20	866.69	311.20
(f) Other current assets	21	48.13	0.43
		4,825.79	2,452.55
TOTAL		8,488.61	4,777.88

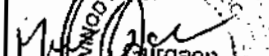
Notes 1 to 41 form an integral part of these Financial Statements

As per our Report of even date attached

For Vinod Kumar & Associates

Chartered Accountants

FRN No. 002304/N



Mukesh Dahiya

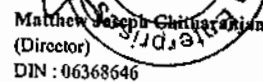
(Partner)

Membership No. 1147

Date: 26th September, 2022

Place: New Delhi

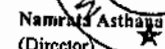
For and on Behalf of the Board of Directors



Matthew Joseph Chittaranjan

(Director)

DIN : 06368646



Namrata Asthana

(Director)

DIN : 06368654

Muhavra Enterprises Private Limited
(CIN - U15492HR2012PTC047234)
Statement of Profit and loss for the year ended March 31, 2022

(Amount in Rs. Lakhs)

	Particulars	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
1	Income			
	Revenue from Operations	22	7,380.90	4,097.35
	Other Income	23	86.22	34.26
	Total Income (A)		7,467.12	4,131.61
2	Expenses:			
	Cost of Materials Consumed	24	2,609.00	1,524.66
	Purchases of Stock-in-Trade	25	521.93	366.95
	Changes in Inventories of Finished Goods work-in-progress and Stock-in-Trade	26	41.45	(160.51)
	Employee Benefits Expense	27	2,199.99	1,250.01
	Finance Costs	28	170.10	96.23
	Depreciation and Amortization expense	11	627.01	494.15
	Other Expenses	29	2,848.27	1,649.82
	Total Expenses (B)		9,017.75	5,221.32
3	Profit/(Loss) before tax (A) - (B)		(1,550.63)	(1,089.71)
4	Tax Expense			
	Current tax		-	-
	Less: MAT Credit Entitlement		-	-
	Deferred tax		(325.93)	(380.07)
	Profit/(Loss) after tax		(1,224.70)	(709.64)
	Earning Per Equity Share (in Rupees)	34		
	Basic		(8,448.51)	(4,895.41)
	Diluted		(4,304.20)	(2,919.60)

Notes 1 to 41 form an integral part of these Financial Statements

As per our Report of even date attached

For Vinod Kumar & Associates

Chartered Accountants

FRN No. 007304N

Mukesh Badhich

(Partner)

Membership No. 51024

Date: 26th September, 2022

Place: New Delhi

For and on behalf of Board of Directors

Matthew Joseph Chitharanjan

(Director)

DIN : 06368646

Namrata Asthana

(Director)

DIN : 06368654

Muhavra Enterprises Private Limited
(CIN - U15492HR2012PTC047234)
Cash Flow Statement for the year ended March 31, 2022

(Amount in Rs. Lakhs)

Particulars	For the year ended 31 March, 2022	For the year ended 31 March, 2021
A Cash Flow from operating activities:		
Profit/(Loss) before tax	(1,550.63)	(1,089.71)
Adjustments for		
Depreciation	627.01	494.15
ESOP	166.21	-
Interest Expense	170.10	96.23
Property, Plant & Equipment Written off	-	22.50
(Profit)/loss on sale of Property, Plant & Equipment	-	0.07
Interest Income	(42.61)	(25.79)
Operating Profit before working capital changes	(629.91)	(502.54)
Adjustment for:		
Increase / (Decrease) in Trade Payables	315.77	67.07
Increase / (Decrease) in Other Current Liabilities	110.90	(5.27)
Increase / (Decrease) in long-term provisions	109.70	32.17
Increase / (Decrease) in long-term Liabilities	12.84	-
Increase / (Decrease) in short-term provisions	(43.89)	66.22
Decrease / (Increase) in Inventories	(631.81)	(106.59)
Decrease / (Increase) in Trade Receivables	(232.89)	(53.58)
Decrease / (Increase) in Long Term Loan and Advances	(50.84)	(41.44)
Decrease / (Increase) in Short Term Loan and Advances	(555.49)	(73.51)
Decrease / (Increase) in Other Non Current Assets	(119.09)	-
Decrease / (Increase) in Other Current Assets	(47.70)	24.70
Cash Generated/ (Used In) Operating Activities	(1,132.48)	(90.22)
Tax (expense)/ Refund	-	-
Net Cash Inflow / (Outflow) from Operating Activities	(1,762.39)	(592.76)
B Cash Flow from Investing Activities:		
Sale of Property, Plant & Equipment & Intangible Assets	-	4.68
Purchase of Property, Plant & Equipment & Intangible Assets	(1,401.23)	(376.81)
Sale/(Purchase) of Investments	431.41	(528.83)
Interest Received	42.61	25.79
(Investments)/ Realisation in Bank deposits	(1,151.74)	(422.30)
Net cash Inflow / (Outflow) from Investing Activities	(2,078.96)	(1,297.46)
C Cash Flow from Financing Activities:		
Proceeds/ (Repayment) from Borrowings, Net	505.94	(2,517.72)
Interest paid	(170.10)	(96.23)
Issue Of Shares	0.45	0.75
Security Premium Money Received	3,757.50	3,857.65
Debentures application money received pending for allotment	-	-
Net cash Inflow / (Outflow) from Financing Activities	4,093.80	1,244.45
Net Increase/(Decrease) in Cash and Cash Equivalents	252.45	(645.77)
Cash and Cash equivalents (Opening Balance)	48.08	693.84
Cash and Cash equivalents (Closing Balance)	300.52	48.08

Notes 1 to 41 form an integral part of these Financial Statements

As per our Report of even date attached

For Vinod Kumar & Associates

Chartered Accountants

FRN No. 062704N

Mukesh Bhatnagar
(Partner)

Membership No. 511941

Date: 26th September, 2022

Place: New Delhi

Matthew Joseph Chitharanjan
(Director)
DIN : 06368646

Namrata Asthana
(Director)
DIN : 06368654

Muhavra Enterprises Private Limited
(CIN - U15492HR2012PTC047234)
Notes forming part of Financial Statements

Note 1 Significant Accounting policies and notes on accounts

1.1 Corporate Information

Muhavra Enterprises Private Limited is a private limited company incorporated on 26 September, 2012 under the Companies Act, 1956 in India. The registered office of the company is located at D-173, Sushant Lok-I, Gurgaon, Haryana-122002, India. The company is engaged in the business of manufacturing, processing, distributing, marketing and selling goods related to speciality foods and beverage products, including, but not limited to coffee products (beverages, roasted beans, coffee powder and coffee products), chocolate products, and providing services such as saleable drink in a kiosk format or via delivery for personal and commercial use, and any other business that may be conducted from time to time, throughout India and overseas.

1.2 Basis of Preparation and presentation

(a) Statement of compliance

These financial statements are prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013.

(b) Functional & presentation currency

These financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency. All amounts have been rounded off to the nearest lakhs or decimal thereof, unless otherwise indicated.

(c) Basis of measurement

The financial statements have been prepared under the historical cost convention on accrual basis except for Defined benefit obligation which have been measured at fair value amount.

(d) Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(e) Use of estimates and judgements

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Although these estimates are based on the best knowledge of current event and actions, so actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

(f) Changes in accounting policies

The Company has consistently applied the accounting policies set out below to all periods presented in these financial statements.

1.3 Significant accounting policies

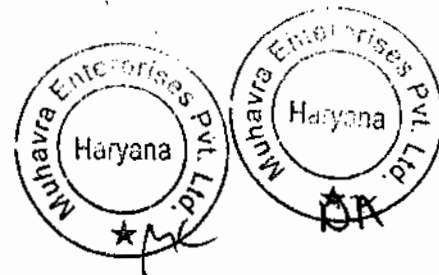
(a) Inventories

Inventory is valued at the lower of the cost or net realizable value.

Cost of inventories comprises of all costs of purchase price, duties and taxes (other than refundable duties and taxes), cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Cost of raw material, packing material, trading material and finished foods are determined on First in First out basis.

The comparison of cost and net realizable value is made on an item by item basis. The Company periodically assesses the inventory for obsolescence and slow moving stocks.



Muhavra Enterprises Private Limited
(CIN - U15492HR2012PTC047234)
Notes forming part of Financial Statements

Note 1 Significant Accounting policies and notes on accounts

(b) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with bank. Cash equivalent are short term, highly liquid investments that are readily convertible into known amount of cash and which are subject to insignificant changes in value. The company considers highly liquid investments as a cash equivalent only when it has a short maturity of three month or less from the date of acquisition.

(c) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non current investments.

Current investments are carried at lower of cost and fair value .

Non current investments are valued at cost of acquisition. The carrying values of non current investments are reduced by the diminution (other than temporary) in the value of investment.

(d) Property, Plant and Equipment (PPE)

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the entity.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided for property, plant and equipment on a written down value method from the month in which each asset is ready to use to allocate their cost, net of their residual values (i.e. 5%), over their estimated useful lives of as prescribed in Schedule II of the companies Act, 2013 except in respect of the assets where useful life is different other than those prescribed in Schedule II are used, based on technical evaluation by considering the nature & usage of assets, expected physical wear & tear etc.

Depreciation on assets added, sold or discarded during the year has been provided on pro-rata basis.

The assets' residual values, estimated useful lives and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Individual assets purchased during the year costing Rs 5,000 or less are depreciated in full, in the year of purchase.

Derecognition of Property, Plant and Equipment

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognized in the Statement of profit and loss when the asset is derecognised.

(e) Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized on a straight line basis over the estimated useful economic life, from the date that they are available for use. Residual Value of intangible assets are considered as Nil.

The amortization period and the amortization method are reviewed at each financial year end.

Derecognition of intangible assets

Gains or losses arising from de-recognition of an intangible asset are recognized in the statement of profit or loss by comparing net disposal proceeds and the carrying amount of the asset.

(f) Capital work in progress (CWIP)

The cost of assets not ready to put to use before the year end are disclosed under Capital work in progress.

CWIP includes product under development, construction of cafe including material/equipment in transit or received at site for use in projects. All revenue expenses incurred during construction period, which are exclusively attributable to acquisition/construction of property, plant and equipment or Products are capitalized at the time of commissioning of such assets.

(g) Impairment of Assets

At each balance sheet date, the company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in the Profit and loss Account to the extent the carrying amount exceeds the recoverable amount.



Muhavra Enterprises Private Limited
(CIN - U15492HR2012PTC047234)
Notes forming part of Financial Statements

Note 1 Significant Accounting policies and notes on accounts

(h) Foreign Exchange Transactions

Foreign currency transactions are accounted at the exchange rates prevailing on the date of the transactions.

The foreign currency denominated monetary assets and liabilities are reported using the closing rate and gains or losses if any, at the year end in respect of these assets and liabilities, not covered by forward contracts, are recognised in Profit and Loss Account.

Exchange differences arising on repayment of liabilities incurred for the purpose of acquiring fixed assets are adjusted with the carrying amount of respective fixed assets.

Non-monetary items denominated in foreign currency are stated at the rate prevailing on the date of the transaction.

(i) Revenue Recognition

Sale of Products : Revenue from sale of goods is recognised when the significant risk, rewards and ownership of the goods have been transferred to the customer for a consideration. Revenue represents the net invoice value of the goods supplied and services rendered after deducting trade discounts and rebates, output Goods and Service Tax (GST) and other duties.

Sale of Services : Services revenue are recognised as the service are performed. Services provided pursuant to a contract are either recognized over the contract period or upon completion of the elements specified in the contract depending on the terms of the contract. Operating revenues from the integrated logistics services /distribution and maintenance of vending machines are recognized when the services are rendered. Revenues include unbilled as well as billed amounts.

Other Income : Revenue arising from the use by others of enterprise resources yielding interest, royalties and dividends is recognised only when no significant uncertainty as to measurability or collectability exists. These revenues are recognised on the following basis:

Interest : on a time proportion basis taking into account the amount outstanding and the rate applicable.

Royalties : on an accrual basis in accordance with the terms of the relevant agreement.

Dividend : when the owner's right to receive payment is established.

(j) Borrowing Costs

Borrowing Cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowing and exchange differences arising from foreign currency borrowings (if any) to the extent they are regarded as an adjustment to the interest cost.

Borrowing cost directly attributable to the acquisitions, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur.

(k) Employee benefits expense

Short-Term Employee Benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post-Employment Benefits

(A) 'Defined benefit plans

The Company pays gratuity to the employees who have completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid 15 days basic salary for every completed year of service as per the Payment of Gratuity Act, 1972. The liability in respect of gratuity is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services. The gratuity liability amount is unfunded and the unfunded accrued cost is recognised through a reserve in the Accounts of the Company exclusively for gratuity payment to the employees.

The Company has introduced the policy for the encashment of compensated absences. The benefit is payable when the employee retires or leaves the Company. The company is making the actuarial valuation at the Balance Sheet date to calculate the current service cost based on estimated number of leave encashment, as per company policy, as per AS-15 which is charged to the statement of profit and loss of the current year and considered in arriving the total liability at Balance Sheet date by applying appropriate discounting rate and Projected Unit Credit Method. The compensated absences liability amount is unfunded and the unfunded accrued cost is recognised through a reserve in the Accounts of the Company exclusively for compensated absences payment to the employees. (Actuarial report showing it funded)

(B) 'Defined contribution plans

Contribution to Provident fund, a defined contribution plan are made in accordance with the statute and are recognized as an expense when employees have rendered service entitling them to the contribution.

Company Contribution to state defined contribution plans namely Employees State Insurance are made in accordance with the statute and is recognized as an expense when employees rendered services entitling them to contribution.



Muhavra Enterprises Private Limited
(CIN - U15492HR2012PTC047234)
Notes forming part of Financial Statements

Note 1 Significant Accounting policies and notes on accounts

(l) Taxes on income

Income taxes comprise of current tax and deferred tax.

Current tax is determined as the amount expected to be paid to/(recoverable from) taxation authorities, using applicable tax rates and tax laws.

In accordance with Accounting Standard (AS) -22- "Accounting for Taxes on income" Deferred tax expense or benefit is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets should be recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Whereas in case of unabsorbed depreciation or carry forward of losses under tax laws, deferred tax assets should be recognised only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

(m) Earning Per Share (EPS)

The Company reports the basic and diluted Earning Per Share in accordance with Accounting Standard 20 on "Earning Per Share".

Basic Earning Per Share is calculated by dividing the net profit or loss for the year by weighted average number of equity shares outstanding during the year.

Diluted Earning Per Share is calculated by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares except where the results are anti-dilutive.

(n) Provisions, Contingent Liabilities and Contingent Assets

Provision is recognized when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A brief description of the nature of contingent asset, and where practicable, an estimate of their financial effect, at the end of reporting period is disclosed where an inflow of economic benefit is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

(o) Segment Reporting

The Company identifies segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the Executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue /expenses / assets / liabilities".

(p) Share-based payments

The fair value of options granted under Employee Stock Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in statement of profit and loss, with a corresponding adjustment to equity.



Muhavra Enterprises Private Limited
(CIN - U15492HR2012PTC047234)
Notes forming part of Financial Statements

(Amount in Rs. Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	Amount	Number	Amount
	2 Share Capital			
Authorised				
Equity Shares of ₹ 10/- each	2,20,000	22.00	2,20,000	22.00
0.001% Compulsory Convertible Preference Shares of ₹ 10/- each	50,000	5.00	50,000	5.00
	2,70,000	27.00	2,70,000	27.00
Issued capital				
Equity Shares of ₹ 10/- each	14,496	1.45	14,496	1.45
0.001% Series A Compulsory Convertible Preference Shares of ₹ 10/- each	12,028	1.20	12,028	1.20
0.001% Series B Compulsory Convertible Preference Shares of ₹ 10/- each	4,537	0.45	-	-
	31,061	3.11	26,524	2.65
Subscribed and Paid up capital				
Equity Shares of ₹ 10/- each	14,496	1.45	14,496	1.45
0.001% Series A Compulsory Convertible Preference Shares of ₹ 10/- each	12,028	1.20	12,028	1.20
0.001% Series B Compulsory Convertible Preference Shares of ₹ 10/- each	4,537	0.45	-	-
	31,061	3.11	26,524	2.65

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	Amount	Number	Amount
	2 a) Reconciliation of number of shares			
Equity Share				
Shares outstanding at the beginning of the year	14,496	1.45	14,496	1.45
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	14,496	1.45	14,496	1.45
0.001% Series A Compulsory Convertible Preference Shares				
Shares outstanding at the beginning of the year	12,028	1.20	4,547	0.45
Shares issued during the year	-	-	7,481	0.75
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	12,028	1.20	12,028	1.20
0.001% Series B Compulsory Convertible Preference Shares				
Shares outstanding at the beginning of the year	-	-	-	-
Shares issued during the year	4,537	0.45	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	4,537	0.45	-	-

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	Percentage	Number	Percentage
	2 b) Details of shareholders holding more than 5% shares in the company			
Equity Share				
Namrata Asthans	7,815	53.91%	7,815	53.91%
Matt Chitharanjan	2,564	17.69%	2,564	17.69%
Snow Leopard Momentum - LLP	2,183	15.06%	2,183	15.06%
Gauri Kirloskar	1,456	10.04%	1,456	10.04%
	14,018	96.70%	14,018	96.70%
0.001% Compulsory Convertible Preference Shares				
Snow Leopard Momentum - II LLP	2,669	16.11%	2,669	22.19%
DSP Adiko Holdings Pvt. Ltd.	1,186	7.16%	1,186	9.86%
Shuchi Kothari	1,392	8.40%	1,186	9.86%
Vistra ITCL (Indian)	1,374	8.29%	874	7.27%
UTPL Corporate Trustees Pvt Ltd	1,299	7.84%	-	-
Z Nation Lab Growth Fund	906	5.47%	-	-
Eight I Morison LLP	729	4.40%	729	6.06%
Eight Innovate Fund I	772	4.66%	772	6.42%
Vikramaditya Mohan Thapar Family Trust	668	4.03%	668	5.55%
	10,995	66.37%	8,084	67.21%



Muhavra Enterprises Private Limited
(CIN - U15492HR2012PTC047234)
Notes forming part of Financial Statements

(Amount in Rs. Lakhs)

2 c) Right, Restriction & preference of Shares**Equity Shares**

Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend (if any) proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of Equity shares will be entitled to receive all the remaining assets of the company, after settlement of liabilities and distribution of all Preferential amounts. The distribution will be in proportion to the number of Equity shares held by the share holder. All the Equity Shares rank pari passu.

0.001% Series A Compulsory Convertible Preference Shares (CCPS)

Each Compulsory Convertible Preference Share issued bears an interest rate of 0.001% per annum. The tenure for redemption of Preference shares is 20 years. The Series A CCPS shall be compulsorily convertible at the conversion ratio of 1:1 meaning that 1 Equity Share to be issued for each Series A CCPS held. The holder of the Series A CCPS shall be entitled to receive notice of and vote on all matters that are submitted to the vote of the Shareholders of the Company (including the holders of Equity Shares). Holder of the Series A CCPS will be able to exercise voting rights on the Series A CCPS as if the same were converted into Equity Shares.

0.001% Series B Compulsory Convertible Preference Shares (CCPS)

Each Compulsory Convertible Preference Share issued bears an interest rate of 0.001% per annum. The Series B CCPS shall be compulsorily convertible at the conversion ratio of 1:1 meaning that 1 Equity Share to be issued for each Series B CCPS held: (a) Upon occurrence of Institutional Funding Round; (b) Upon expiry of conversion date; (c) Upon happening of the Initial Public Offer (IPO), whichever is earlier. The holder of the Series B CCPS shall be entitled to receive notice of and vote on all matters that are submitted to the vote of the Shareholders of the Company (including the holders of Equity Shares); Holder of the Series B CCPS will be able to exercise voting rights on the Series B CCPS as if the same were converted into Equity Shares.

Subject to adjustments provided in paragraph 3 below of Schedule V of Shareholder's agreement, the Series B-1 CCPS shall be compulsorily convertible at the conversion ratio of 1:1 meaning that 1 Equity Share to be issued for each Series B-1 CCPS held: (a) upon the occurrence of the Institutional Funding Round; (b) upon the expiry of the Conversion Date; (c) upon happening of Initial Public Offerings (IPO), whichever is earlier.

Details of shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and brought back during the last 5 years to be given for each class of shares.

2 d) Share allotted for consideration other than cash	Year (Aggregate No. of Shares)				
	2020-21	2019-20	2018-19	2017-18	2016-17
Equity share of ₹ 10/- each fully paid were allotted in pursuant to the ESOPs exercised by the employee without payment being received in cash		28			
Other than the above mentioned issues, neither the Company has issued any shares pursuant to a contract without payment being received in cash nor has there been any buy-back of shares in the current year and preceding five years.					

2 e) Details of Shares held by the promoters of the company as on reporting date:

Name of Promoters	March 31, 2022		March 31, 2021		% Change during the Year
	No. of Equity Shares	% of Equity Shares	No. of Equity Shares	% of Equity Shares	
Equity Shares of Rs. 10 each fully paid					
Namrata Asthana	7,815	53.91%	7,815	53.91%	
Matt Chitharanjan	2,564	17.69%	2,564	17.69%	

Name of Promoters	March 31, 2021		March 31, 2020		% Change during the Year
	No. of Equity Shares	% of Equity Shares	No. of Equity Shares	% of Equity Shares	
Equity Shares of Rs. 10 each fully paid					
Namrata Asthana	7,815	53.91%	7,815	53.91%	
Matt Chitharanjan	2,564	17.69%	2,564	17.69%	



Muhavra Enterprises Private Limited
(CIN - U15492HR2012PTC047234)
Notes forming part of Financial Statements

(Amount in Rs. Lakhs)

3 Reserves and Surplus	As at March 31, 2022	As at March 31, 2021
Securities Premium		
Balance as per the last financial statements	5,942.43	2,084.78
Add: Premium on issue of Equity Shares	-	-
Add: Premium on issue of 0.001% Compulsory Convertible Preference Shares	3,757.50	3,857.65
Closing Balance	9,699.93	5,942.43
Employee stock option outstanding account		
Balance at the commencement of the year	-	-
Employees' stock compensation expense	166.21	-
Balance transferred to reserves (Security Premium)	-	-
Balance at the end of the year	166.21	-
Surplus/(Deficit) in the statement of Profit and Loss		
Balance as per last financial statements	(2,294.23)	(1,584.59)
Add: Profit/(Loss) for the year	(1,224.70)	(709.64)
Net Profit/(Loss) in the statement of Profit and Loss	(3,518.93)	(2,294.23)
Total Reserves and Surplus	6,347.21	3,648.21

4 Long-Term Borrowings	As at March 31, 2022	As at March 31, 2021
Secured		
Term Loan from Bank (refer note (a))	-	1.38
Term Loan from Other Parties (refer note (b))	1.94	-
Working Capital Loan From Other Parties (refer note (c))	20.78	35.44
Total	22.72	36.82
(a) Term Loan from Bank of Rs. 5,10,000 is secured against respective vehicle financed. The loan is repayable in 34 equal installments of Rs. 18,060/- each by the end 15/11/2022.		
(b) Term Loan from the other parties of Rs. 4,60,000 secured against the respective vehicle financed. The loan is repayable in 36 months payable in monthly installment of Rs. 16,510/- each including interest.		
(c) The Secured Working Capital Loan has been sanctioned for Rs. 44,00,000 from Other parties carrying interest @ 14% p.a. (Approx). The total tenure of the loan is 48 months. The above loans is secured against hypothecated property under second rank charge over asset financed under emergency credit line guarantee scheme of the borrower.		

5 Other Long term liabilities	As at March 31, 2022	As at March 31, 2021
Security Deposits Received	12.84	-
Total	12.84	-

6 Long-term provisions	As at March 31, 2022	As at March 31, 2021
Provision for Employee Benefits		
Gratuity	89.54	27.45
Compensated absences	52.32	4.72
Total	141.86	32.17

7 Short Term Borrowings	As at March 31, 2022	As at March 31, 2021
Secured		
Current Maturity of Long Term Borrowings (refer Note-4 (a),(b)&(c))	17.65	17.03
Working Capital Loan From Other Parties (refer Note-7 (a)&(b))	1,000.56	500.00
Unsecured		
Working Capital Loan From Banks	18.87	-
Total	1,037.08	517.03
(a) The Secured Working Capital Loan has been sanctioned for Rs. 10,00,00,000 from other parties carrying interest @ 16% p.a. (Approx). The total tenure of the loan is 18 months. The above loans is secured against the senior, secured, first ranking, floating, exclusive charge over all the current assets of the company & personal guarantee of the directors.		
(b) The Secured Working Capital Loan has been sanctioned for Rs. 12,00,00,000 from other parties carrying interest @ 15.50% p.a. (Approx). The total tenure of the loan is 18 months. The above loans is secured against the senior, secured, first ranking, floating, exclusive charge over all the current assets of the company.		



Muhavra Enterprises Private Limited
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(Amount in Rs. Lakhs)

8 Trade Payables	As at March 31, 2022	As at March 31, 2021
Dues of micro enterprises and small enterprises	46.79	12.97
Dues of creditors other than micro enterprises and small enterprises	613.95	332.00
Total	660.74	344.97
Note: Based on the information available with the company, the balance due to micro and small enterprises as defined under the MSMED Act, 2006 in the current year is Rs. 46.79/- (Previous year Rs. 12.97/-) which comprise amounts outstanding for not more than 45 days as at Balance Sheet date and no interest during the year has been paid or is payable under the terms of the MSMED Act, 2006.		

Trade Payables ageing schedule as on 31st March, 2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 years	2-3 Years	More than 3 Years	
(i) MSME	46.79	-	-	-	46.79
(ii) Others	576.10	9.58	15.55	12.72	613.95
(iii) Disputed Dues- MSME	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-
Total	622.89	9.58	15.55	12.72	660.74

Trade Payables ageing schedule as on 31st March, 2021

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 years	2-3 Years	More than 3 Years	
(i) MSME	12.97	-	-	-	12.97
(ii) Others	290.47	28.52	4.26	8.76	332.00
(iii) Disputed Dues- MSME	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	-	-
Total	303.43	28.52	4.26	8.76	344.97

9 Other Current Liabilities	As at March 31, 2022	As at March 31, 2021
Statutory dues	67.61	52.78
Advance from Customer	39.03	22.30
Employee dues	59.43	4.61
Security Deposits Received	21.14	23.79
Other payables	53.50	26.33
Total	240.71	129.81

10 Short-term provisions	As at March 31, 2022	As at March 31, 2021
Provision for Employee Benefits	-	-
Gratuity	10.38	8.89
Compensated absence	11.96	17.33
Provision for others	-	40.00
Total	22.34	66.22



Muhavra Enterprises Private Limited
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Notes to Financial Statements

(Amounts in Rs. Lakhs)

Particulars	Gross Block		Depreciation/ Amortisation		Net Block	
	At April 1, 2021	Additions	Deletions / adjustments	At March 31, 2022	At April 1, 2021	At March 31, 2022
10(A) Property, Plant & Equipments						
Furniture & Fixtures	359.90	186.97	-	546.87	159.90	70.09
Plant & Machinery	991.35	469.04	-	1,460.39	379.56	145.57
Office Equipments	398.39	225.58	-	623.97	254.30	121.54
Motor Vehicles	9.63	16.11	-	25.74	4.53	4.13
Computers & Allied Peripherals	82.17	79.53	-	161.70	66.14	38.59
Leasehold Improvements	942.49	329.01	-	1,271.50	508.60	213.99
10(B) Intangible assets						
Know How Assets	-	56.01	-	56.01	-	-
Software	60.83	37.31	-	98.14	20.22	32.02
Website	5.38	-	-	5.38	0.96	1.08
10(C) Capital Work in Progress						
Product under development	30.65	25.36	56.01	-	-	-
10(D) Intangible assets under development						
Software under development	17.29	62.07	29.76	49.60	-	-
Total (A+B+C)	2,898.08	1,487.00	85.77	4,299.31	1,394.21	627.01
Previous Year	2,598.49	376.81	77.23	2,898.07	950.03	494.15
					49.98	1,394.20

Capital Work in Progress ageing schedule as on 31st March, 2021

Capital Work in Progress	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	2-3 years	
Projects in progress	12.56	18.08	-	30.65

Intangible Assets under development ageing schedule as on 31st March, 2021

Intangible assets under development	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	More than 3 years	
Projects in progress	38.56	11.04	-	49.60

Intangible Assets under development ageing schedule as on 31st March, 2021

Intangible assets under development	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	More than 3 years	
Projects in progress	17.29	-	-	17.29



Muhavra Enterprises Private Limited
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(Amount in Rs. Lakhs)

12 Non-Current Investments	As at	As at
	March 31, 2022	March 31, 2021
Investment in Equity Instruments		
(i) In Subsidiary		
Unquoted Fully Paid up 49,999 (P.Y. 49,999) Equity share fully paid up @ Rs. 10/- per share in GAC Enterprises Private Limited	5.00	5.00
(ii) In Joint Venture		
Unquoted Fully Paid up 2,50,000 (P.Y. 2,50,000) Equity share fully paid up @ Rs. 10/- per share in Origami Dripbag Private Limited	25.00	25.00
(iii) In Associate Company		
Unquoted Fully Paid up 50 (P.Y. NIL) Equity share fully paid up @ JPY 2,00,000/- per share (100 JPY = 67.42) in Blue Tokai Coffee Japan	67.42	
Total	97.42	30.00
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	97.42	30.00

13 Deferred tax Asset (Net)	As at	As at
	March 31, 2022	March 31, 2021
Deferred Tax Assets :		
on Timing difference on depreciation and amortisation of tangible & intangible assets	210.85	153.46
on Provision for Gratuity & Compensated absences	42.69	15.18
on Carryforward losses & Unabsorbed depreciation	585.38	344.35
Net Deferred Tax Asset	838.92	513.00

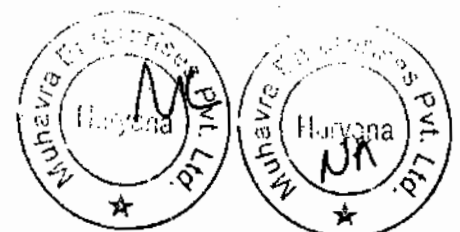
14 Long Term Loans & Advances	As at	As at
	March 31, 2022	March 31, 2021
Unsecured, Considered good		
Capital Advances	58.03	7.18
Total	58.03	7.18

15 Other Non-Current Assets	As at	As at
	March 31, 2022	March 31, 2021
Unsecured, Considered good		
Security Deposits	386.39	265.86
Fixed deposit having maturity more than 12 months	3.98	5.42
Total	390.37	271.28

16 Current Investments	As at	As at
	March 31, 2022	March 31, 2021
Investment in Mutual Funds		
Units of DSP Ultra Short Fund (No. of Units- NIL (PY-17,886.955), NAV- NIL (PY-2,854.3123), MV- NIL (PY-5,10,54,955.67))		498.83
Total	-	498.83

17 Inventories	As at	As at
	March 31, 2022	March 31, 2021
Raw Materials	558.38	290.39
Stock In Trade	409.79	451.24
Stock of Packing Materials	484.25	78.98
Total	1,452.42	820.61
(Raw material includes Goods in transit Rs. 82.85 lakhs in CY (Rs. 123.24 lakhs in PY))		
(Stock in Trade includes Goods in transit Rs. 81.64 lakhs in CY (Rs. 65.71 lakhs in PY))		
(Packing Material includes Goods in transit Rs. 0.73 lakhs in CY (Rs. 15.93 lakhs in PY))		

18 Trade Receivables	As at	As at
	March 31, 2022	March 31, 2021
Unsecured, considered good	583.99	351.10
Total	583.99	351.10



Muhavra Enterprises Private Limited
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(Amount in Rs. Lakhs)

Trade Receivables ageing schedule as on 31st March, 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less Than 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Undisputed Trade receivables :							
(i) Considered Good	269.89	208.65	24.12	45.68	17.71	17.95	583.99
(i) Considered Doubtful	-	-	-	-	-	-	-
Disputed Trade Receivables :							
(i) Considered Good	-	-	-	-	-	-	-
(i) Considered Doubtful	-	-	-	-	-	-	-
Total	269.89	208.65	24.12	45.68	17.71	17.95	583.99

Trade Receivables ageing schedule as on 31st March, 2021

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less Than 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Undisputed Trade receivables :							
(i) Considered Good	26.59	185.65	58.64	49.93	19.89	10.40	351.10
(i) Considered Doubtful	-	-	-	-	-	-	-
Disputed Trade Receivables :							
(i) Considered Good	-	-	-	-	-	-	-
(i) Considered Doubtful	-	-	-	-	-	-	-
Total	26.59	185.65	58.64	49.93	19.89	10.40	351.10

19 Cash and Bank Balances	As at	As at
	March 31, 2022	March 31, 2021
Cash and Cash Equivalents		
Cash in hand	3.33	0.39
Balances with Banks in Current Account	297.19	47.69
	300.52	48.08
Other Bank Balances		
Balances with bank held as Fixed Deposits (having maturity more than 3 months but less than 12 months)	1,574.04	422.30
	1,574.04	422.30
Total	1,874.56	470.38

20 Short Term loans and advances	As at	As at
	March 31, 2022	March 31, 2021
Unsecured, Considered good		
Advance to Supplier for Goods & Services	486.88	183.36
Loan and advance to employees	18.46	17.18
Imprest Accounts	5.73	3.38
Balance with Government Authorities	306.90	101.74
Prepaid Expense	48.72	5.54
Total	866.69	311.20

21 Other Current Assets	As at	As at
	March 31, 2022	March 31, 2021
Other Receivables	8.45	0.43
Unsecured, Considered good		
Security Deposits	39.68	-
Total	48.13	0.43



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(Amount in Rs. Lakhs)

22 Revenue from operation	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Sale of Coffee and other items	7,380.90	4,097.35
Total	7,380.90	4,097.35

23 Other Income	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Interest Income	20.61	16.97
Income from Mutual Funds	22.00	8.83
Miscellaneous Income	43.61	8.46
Total	86.22	34.26

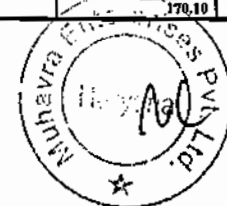
24 Cost of materials consumed	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Inventory at the beginning of the year		
Raw Materials	290.39	346.58
Packaging Materials	78.98	76.72
	369.37	423.30
Add: Purchases		
Raw Materials	2,697.47	1,158.97
Direct Expenses	65.66	45.42
Packaging Materials	519.13	266.35
	3,282.26	1,470.74
Less: Inventory at the end of the year		
Raw Materials	558.38	290.39
Packaging Materials	484.25	78.98
	1,042.63	369.37
Total	2,609.00	1,524.66

25 Purchases of stock in Trade	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Purchases of Stock in Trade	521.93	366.95
Total	521.93	366.95

26 Changes in inventories of finished goods and work in progress and Stock in Trade	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Inventory at the beginning of the year		
Stock in Trade	451.24	290.73
	451.24	290.73
Less: Inventory at the end of the year		
Stock in Trade	409.79	451.24
	409.79	451.24
Change in Inventories	41.45	(160.51)

27 Employee Benefit Expenses	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Salaries and Wages	2,002.23	1,201.82
Contribution to Provident and other funds	24.86	44.79
Staff Welfare	6.68	3.41
Expenses on Employee Stock Option Scheme (Refer Note -35)	166.21	-
Total	2,199.99	1,250.01

28 Finance costs	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Interest Expense		
Interest on Borrowings	128.31	70.26
Other Borrowing Cost	41.78	25.97
Total	170.10	96.23



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(Amount in Rs. Lakhs)

29 Other Expenses	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Aggregator service charge	564.68	277.76
Business Promotion and training Expenses	351.37	208.52
Freight outwards and Transportation	195.59	160.93
Power and Fuel	195.12	112.63
Rent	931.52	485.13
Cafe expenses	115.15	54.53
Legal & Professional Fees	63.72	34.41
Website and Software Expenses	71.33	45.38
Repair and maintenance	60.50	41.59
GST Expenses	6.99	20.61
VAT Expenses	4.32	-
Insurance Expenses	30.58	38.10
Merchant charges	27.45	23.83
Fixed assets discarded	-	22.50
Travelling, Conveyance & Accommodation	48.50	20.57
Telephone & Communication Expense	17.58	14.20
Bank Charges	4.66	10.83
Bad Debts	47.41	9.38
Listing Fees	6.72	-
Office Expenses	8.08	3.78
Printing & Stationery	6.79	3.65
Rates & Taxes	38.48	18.55
Miscellaneous Expenses	51.75	42.94
Total	2,848.27	1,649.82



Muhavra Enterprises Private Limited
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(Amount in Rs. Lakhs)

30 Related Party Disclosure**a) Name of Related parties and nature of relationships with them during the year/previous year:**

Nature of relationship	Name of Related Party
Wholly owned subsidiary	GAC Enterprises Private Limited
Joint Venture	Origami Dripbag Private Limited
Associate Company	Blue Tokai Coffee- Japan (W.o.f- 10th March, 2022)
Key Management Person	Matthew Joseph Chithamnanjan Christopher Kolenaty Namrita Ashana

b) Transactions during the year with related parties

Particulars	Wholly owned subsidiary		Joint Venture		Associate		Key Management Person	
	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021
Remuneration	-	-	-	-	-	-	58.56	41.47
Purchase of Goods	-	-	20.62	3.63	-	-	-	-
Rental Income	3.00	-	3.60	-	-	-	-	-
Expense Recovery	-	-	11.52	-	-	-	-	-
Investment in Equity shares	-	-	-	-	67.42	-	-	-
Sale of Products	-	-	5.69	-	-	-	-	-
Total	3.00	-	91.43	3.63	67.42	-	58.56	41.47

c) Outstanding balances with related parties

Particulars	Wholly owned subsidiary		Joint Venture		Associate		Key Management Person	
	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022	As at 31st March, 2021
Balance Receivable/(Payable)	3.06	-	21.91	6.87	-	-	-	-
Total	3.06	-	21.91	6.87	-	-	-	-

31 Payments to Auditor

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Payment to Auditor as*		
a. Statutory Audit		
Standalone Financial Statement	4.00	1.70
Consolidated Financial Statement	0.75	-
b. Tax Audit	1.25	0.50
c. Transfer Pricing Audit	0.20	-
Total	6.20	2.20

* Auditor's remuneration (included in legal and professional charges and excludes goods and service tax)

32 Contingent Liability

Particulars	As at 31 March 2022	As at 31 March 2021
Income Tax Matters (AY 2016-17)	153.69	153.69
Other matters (Net of Provision of estimated liability)	-	20.00
Total	153.69	173.69



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(Amount in Rs. Lakhs)

33 Employee Benefits

The disclosures required under Accounting Standard 15 "Employee Benefits" are given below:

Defined Contribution Plan

Defined contribution plan recognized and debited to the Statement of Profit and Loss are as under:

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
A. Employer's contribution to provident fund	82.54	51.82
B. Employer's contribution to state plan		
i) Employee state insurance	16.49	-

Defined Benefit Plan

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Particulars	31 March 2022		31 March 2021	
	Compensated Absence	Gratuity Fund	Compensated Absence	Gratuity Fund
Present value of obligation as at the beginning of year	22.05	36.34	-	-
Interest cost	1.22	2.01	-	-
Past service cost	-	-	-	-
Current service cost	38.18	13.58	22.05	36.34
Benefits paid	(1.61)	(1.30)	-	-
Actuarial (gain) / loss on obligation	4.43	49.29	-	-
Present value of obligation as at end of year	64.27	99.92	22.05	36.34
Change in Fair Value of Plan Assets				
Fair value of plan assets at the beginning of the year	-	-	-	-
Expected return on plan assets	-	-	-	-
Contributions	-	-	-	-
Benefits paid	-	-	-	-
Fair value of plan assets at the end of the year	-	-	-	-
Actuarial (loss)/gain on plan assets	-	-	-	-
Net Asset/(Liability) Recognised in the Balance Sheet				
Present value of obligation as at the end of the year	64.27	99.92	22.05	36.34
Fair value of plan assets at the end of the year	-	-	-	-
Funded status	-	-	-	-
Excess of actual over estimated	-	-	-	-
Unrecognized actuarial (gains)/ losses	-	-	-	-
Net (liability)/assets recognized in Balance Sheet	64.27	99.92	22.05	36.34
Current / Non Current Bifurcation				
Current obligation	11.96	10.38	17.33	8.89
Non Current obligation	52.32	89.54	4.72	27.45
Net (liability)/assets recognized in Balance Sheet	64.28	99.92	22.05	36.34
Expense recognised in the Statement of Profit & Loss				
Current service cost	38.18	13.58	22.05	36.34
Past service cost	-	-	-	-
Interest cost	1.22	2.01	-	-
Expected return on plan assets	-	-	-	-
Net actuarial (gain)/ loss recognized in the year	4.43	49.29	-	-
Expenses recognized in the Statement of Profit and Loss	43.83	64.88	22.05	36.34
Actuarial assumptions				
Discount Rate	6.10 % p.a.	6.10 % p.a.	5.54 % p.a.	5.54 % p.a.
Expected Rate of increase in compensation level	10 % p.a.	10 % p.a.	10 % p.a.	10 % p.a.
Demographic Assumption				
Mortality	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)	IALM (2012-14)
Retirement age	55	55	58	58
Attrition/Withdrawal rate (%) - upto 58 years	19.28%	19.28%	60%	60%



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(Amount in Rs. Lakhs)

The estimates of future increase in compensation levels, considered in actuarial valuation, take account of inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market. Discount rate is based on the gross redemption yield on medium to long term risk free investments. The term of the risk free investments has to be consistent with the estimated term of benefit obligations.

34 Earning Per Share

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
	(Amount in Rupees)	(Amount in Rupees)
Face Value per equity share	10	10
Profit/(Loss) attributable to ordinary shareholder	(12,24,69,597)	(7,09,63,822)
Weighted average number of ordinary Shares	14,496	14,496
Earning per share (Basic)	(8,448.51)	(4,895.41)
Profit/(Loss) attributable to ordinary shareholder	(12,24,69,597)	(7,09,63,822)
Weighted average number of ordinary Shares	14,496	14,496
Weighted average number of potential equity Shares	13,958	9,810
Total weighted average number of equity Share for DPS	28,454	24,306
Earning per share (Diluted)	(4,304.20)	(2,919.60)

The Entity's Earnings Per Share (EPS) is determined based on the net profit attributable to the shareholders' of the Entity. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive. The Company has not considered effect of dividend on 0.001% Compulsarily Convertible preference share (CCPS) issued in FY 2021-22 while calculating diluted earning per share.

35 Employee Stock Option Scheme

The Company initiated the "Employee Stock Option Scheme 2017" for all eligible employees in pursuance of the special resolution approved by the shareholders in the Annual General Meeting and as amended on 22nd April, 2021. The scheme covers all directors and employees (except promoters or those belonging to the promoter's group, independent directors and directors who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the outstanding Shares of the Company). Under the Scheme, the Board of Directors, administers the Scheme and grants stock options to eligible directors or employees of the Company. The Committee determines the employees eligible for receiving the options and the number of options to be granted subject to overall limit of 824 equity shares of a face value of Rs. 10 each outstanding at any point of time. The vesting period of any option granted shall not be greater than forty eight months from the date of the grant of option. The Board decided the exercise price of ₹10 per equity share of ₹ 10 each.

The Fair value at grant date is determined using Intrinsic Value method, which takes into account exercise price and market price.

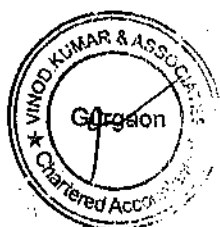
Following Employee Stock option scheme arrangement:

Option Series	Number	Grant date	Expiry Date	Exercise Price	Intrinsic value at grant date (in Rupees)
ESOP 2017	346	23-04-2021	23-04-2022	10	51,566

During the year no share options have been exercised by the employees.

Movements in share options during the year

Particulars	For the year ended 31st March, 2022		For the year ended 31st March, 2021	
	Number of Options	Exercise price	Number of Options	Exercise price
Balance at beginning of year	-	-	-	-
Granted during the year	346	10	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Balance at end of year	346	10	-	-



Muhavra Enterprises Private Limited
(CIN - U15492HR2012PTC047234)
Notes forming part of Financial Statements

(Amount in Rs. Lakhs)

36 Earning and expenditures in foreign Currency (On accrual basis)

Earning in foreign currency	Year ended 31 March, 2022	Year ended 31 March, 2021
Export of goods (FOB value)	53.56	22.27
Total	53.56	22.27

Expenditure in foreign currency	Year ended 31 March, 2022	Year ended 31 March, 2021
Purchase of stock-in-trade and packing material	175.30	222.23
Machinery and equipment	33.19	5.76
Software	18.89	13.37
Total	227.37	241.36

37 Segment reporting

The Company has identified two primary reporting segments based on nature of products sold viz. Coffee and other items & Merchandise. The information regarding secondary reporting segments based on products/ services is not available.

Segment Revenue	Year ended 31 March, 2022	Year ended 31 March, 2021
Sale of coffee	4,634.00	2,700.53
Sale of merchandise and other items	2,746.91	1,396.82
Total	7,380.91	4,097.35

Note: Details of segment assets, liabilities, expenses have not been given as the same is not separately identifiable.

38 Disclosure as per Accounting Standards (AS) 27, "Financial Reporting of Interests in Joint Ventures".

Name of Joint Venture	Origami Dripbag Private Limited	
Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Assets		
50% Share of the company in Joint Venture	143.34	123.28
Liabilities		
50% Share of the company in Joint Venture	71.67	61.64
105.77		85.54
Income		
50% Share of the company in Joint Venture	52.88	42.77
113.04		5.56
Expenses		
50% Share of the company in Joint Venture	56.52	2.78
111.67		15.93
55.84		7.97

39 Previous Year figures have been recognized/ reclassified whenever considered necessary.

Mulhavra Enterprises Private Limited
(CIN - U15492HR2012PTC047234)
Notes forming part of Financial Statements

40

Particulars	Ratios		March 31, 2021	% Variance	Reason for Variance*
	Numerator	Denominator			
Current ratio	Current assets	Current liabilities	2.32	6.17%	
Debt-equity ratio	Total Debt	Shareholder's equity	0.15	10.01%	
Debt Service Coverage Ratio	Earning available for debt service (1)	Debt service	(0.64)	0.93%	
Return on equity	Net profit after tax	Average shareholder's equity	(0.34)	28.34%	ROE has increase during the year, since FY 21 was significantly hit by Covid-19 and FY 22 was not that much effected with Covid restrictions
Inventory Turnover ratio	Cost of goods sold (2)	Average inventory	2.26	23.73%	
Trade receivable turnover ratio (in times)	Net credit sales	Average trade receivable	14.02	11.01%	
Trade payable turnover ratio (in times)	Net credit purchase	Average trade payables	7.53	27.69%	Since company is in coffee industry, and it needs to procure the inventory in the first 6 months of year. Therefore company has purchased the large quantity of coffee beans due to which ratio has gone up.
Net capital turnover ratio (in times)	Net sales	Average working capital (3)	3.63	4.50%	
Net profit ratio	Net profits after tax	Net sales	(0.17)	4.20%	
Return on capital employed	Earning before interest and tax	Capital employed (4)	(0.24)	20.83%	
Return on investment	Income generated from invested funds (5)	Average Investment (6)	0.03	5.12%	

* If variance is more than 25%

- (1) Earning available for debt service : Net Profit after Taxes + depreciation + Interest on Term Loan + Other Adjustment like loss on sale of fixed assets
 (2) Cost of goods sold: Sale - Gross Profit
 (3) Working Capital : Current Assets - Current Liabilities
 (4) Capital Employed : Tangible Net Worth + Total Debt + Deferred tax liability
 (5) Income generated from invested funds include interest on fixed deposit and realised/ unrealised gain on Mutual Fund
 (6) Investments include Fixed Deposit



Muhavra Enterprises Private Limited
(CIN - U15492HR2012PTC047234)
Notes forming part of Financial Statements

(Amount in Rs. Lakhs)

41 Additional Regulatory Information

- i No Immovable Property are held by the Company as on the date of balance sheet.
- ii The Property Plant & Equipment and intangible assets has not been revalued during the current financial year 2021-22.
- iii During the period, the company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties.
- iv The company has not been declared wilful defaulter by any bank or financial Institution or other lender.
- v The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

- vi The company has no transactions with any company struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- vii There are 2 charges to be registered as in case of vehicle loan generally bank is not asking for the same except that there were not any charges or satisfaction yet to be registered with Registrar of Companies as on the date of balance sheet.
- viii As per provision of section 135 of Companies Act, the provision of Corporate Social Responsibility are not applicable to the company.
- ix The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- x The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall :
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries);or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- xi The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

As per our Report of even date attached
For Vinod Kumar & Associates

Chartered Accountants

FRN No. 80230451

VINOD KUMAR & ASSOCIATES

Mukesh Dhad Bargaon

(Partner)

Membership No.511741

Date: 26th October, 2022

Place: New Delhi



For and on behalf of Board of Directors

Matthew Joseph Chitharanjan
(Director)
DIN : 06368646



Namrata Asthana
(Director)
DIN : 06368654

ANNEXURE 5

SPNG & CO.
CHARTERED ACCOUNTANTS

SPNG & CO.
CHARTERED ACCOUNTANTS
A-402, 1st FLOOR,
DEFENCE COLONY,
NEW DELHI - 110024, INDIA
+91 11 24330402, +91 9811551960
office@spngco.in
www.spngco.in

INDEPENDENT AUDITOR'S REPORT

To the Members of Suchalis Confectionery Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Suchalis Confectionery Private Limited ("the Company"), which comprise the Balance Sheet as at March 31st 2022, and the Statement of Profit and Loss account and Statement of Cash Flow for the year then ended, notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanation given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profit & its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the "Director's report" but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit, We also:

- Identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair representation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts;
 - d. In our opinion, the aforesaid financial statements comply with the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014;
 - e. On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;



- f. This report does not include Report on the internal financial controls under clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Report on internal financial controls'), since in our opinion and according to the information and explanation given to us, the said report on internal financial controls are not applicable to the Company basis the exemption available to the Company under MCA Notification No. G.S.R. 583 (E) dated June 13, 2017, read with corrigendum dated July 13, 2017 on reporting on internal financial controls over financial reporting;
- g. The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2022;
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

The company does not have any pending litigations which would impact its financial position;

- (i) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- (ii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For SPNG & Co.

Chartered Accountants

FRN: 0036919N

Pranav Anra

(Partner)

Membership Number: 534747



UDIN: 22534747 IDIBURQ 3205

Place: New Delhi

Date: 30/09/22

ANNEXURE "A" TO THE INDEPENDENT AUDITORS REPORT ON THE STANDALONE FINANCIAL STATEMENTS OF SUCHALIS CONFECTIONERY PRIVATE LIMITED.

The annexure referred to in Paragraph (1) under the heading of Report on other Legal and Regulatory Requirements" of the Independent auditors' report on the Accounts of SUCHALIS CONFECTIONERY PRIVATE LIMITED (the Company) for the year ended March 31, 2022. (CARO 2020)

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- (a)
- The Company has maintained proper records showing full particulars, including quantitative details and Situation of Property, Plant and Equipment and relevant details of right-of-use assets.
 - The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment by which all Property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain Property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
- (d) The Company has not revalued any of its Property, Plant and Equipment (including right- of-use assets) and intangible assets during the year.
- (e) No Proceedings have been initiated during the year or are pending against the company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) The company is not maintaining a proper stock register for the manufacturing process undertaken during the FY 2021-22.
- (iii) Based on the information and explanation received and the records of the Company examined by us the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans secured or unsecured to companies, firms Limited Liability Partnerships or other parties. Hence clauses 3(iii) (a), (b), (c), (d), (e) and (f) of the Order is not applicable.
- (iv) Based on the information and explanation received and the records of the Company examined by us the Company has no such transactions in respect of loans, investments, guarantees, and security covered under the provisions of section 185 and 186 of the Companies Act, 2013. Hence clause 3 (iv) of the Order is not applicable.



- (v) Based on the information and explanations received and the records of the Company examined by us the Company has not accepted any deposits from the public, nor have they accepted any amounts which are deemed to be deposits. Hence clause 3(v) of the Order is not applicable.
- (vi) In our opinion the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act.
- (vii) (a) Based on the information and explanations received and the books of accounts examined, the Company has been regular in depositing undisputed statutory dues including Goods and Service Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues, to the appropriate authorities where applicable and there were no arrears of outstanding statutory dues as on the last day of the financial year concerned (i.e. 31-03-2022) for a period of more than six months from the date they became payable.
- (b) Based on the information and explanation given to us and the records of the Company examined by us, there were no statutory dues outstanding as on 31-03-2022 for a period of more than six months from the date they became payable which have not been deposited with appropriate authorities on account of any dispute.
- (viii) Based on the information and explanations received and the books of accounts examined there were no instances of transactions not recorded in the books of accounts which were surrendered or disclosed as income during the year in tax assessments under the Income-tax Act, 1961 (43 of 1961). Hence clause 3(viii) of the Order is not applicable.
- (ix) Based on the information received and the records verified:
- (a) The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared a wilful defaulter by any bank or financial institution or other lender.
- (c) In our opinion the term loans were applied for the purpose for which the loans were obtained.
- (d) Funds raised on short term basis have not been utilised for long term purposes
- (e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its associates. The Company does not have any subsidiaries or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its associate companies. The Company does not have any subsidiaries or joint ventures.
- (x) During the year the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments. Further the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Hence clause 3(x) of the Order is not applicable.



- (xi) (a) Based on the information and explanations received and the records of the company examined no fraud on or by the company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by auditors in Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- (c) Based on the information received and the records of the Company examined there were no whistle-blower complaints received during the year by the Company
- (xii) The Company is not a Nidhi Company. Hence clause 3 (xii) of the Order is not applicable.
- (xiii) Based on the information and explanation given to us and the records of the Company examined by us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.
- (xiv) The in our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act, 2013.
- (xv) Based on the information and explanation received and the records examined, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) Based on the information received and the records of the Company examined by us:
- (a) the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act 1934;
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (d) The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The company has not incurred cash loss during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly clause (xviii) of the Order is not applicable.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of



SPNG & CO.
 CHARTERED ACCOUNTANTS

one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) Considering the Company's net worth for the year section 135 of the Companies Act, 2013 regarding expenditure to be incurred towards Corporate Social Responsibility (CSR) is not applicable. Hence Clause (xx) of the Order is not applicable.
- (xxi) The Company does not have any subsidiaries. Hence clause (xxi) of the Order is not applicable.

For SPNG & Co.

Chartered Accountants

FRN: 0036919N


Pranav Arora

(Partner)

Membership Number: 534747

UDIN: 22534747 BDBWKA3305

Place: New Delhi

Date: 30/09/2022



**SUCHALIS CONFECTIONERY PRIVATE LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st March, 2022**

Suchalis Confectionery Private Limited
Balance Sheet as at 31st March, 2022
 (All amount in INR Thousands unless otherwise stated)

	Notes	March 31, 2022 Amount (Rs.)	March 31, 2021 Amount (Rs.)
I. Equity and liabilities			
Shareholders' funds			
Share capital	3	100.00	100.00
Reserves and surplus	4	9,460.45	4,548.39
		9,560.45	4,648.39
Non-current liabilities			
Long-term borrowings	5	12,346.16	6,654.76
Deferred tax liabilities (net)	6	-	-
		12,346.16	6,654.76
Current liabilities			
Short-term borrowings	7	4,951.19	-
Trade payables	8	-	-
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		2,152.51	4,885.26
Other current liabilities	8	17,147.53	6,860.93
		24,251.22	11,746.19
TOTAL		46,157.83	23,049.35
II. Assets			
Non-current assets			
Property plant and equipment	9	15,566.53	10,279.82
Intangible assets		-	15.36
Capital work in progress		-	109.06
Deferred tax assets (net)	10	1,188.22	115.92
Loans and advances	11	-	-
		16,754.75	10,520.15
Current assets			
Trade receivables	12	9,335.11	3,660.63
Inventory	13	4,276.81	3,384.46
Cash and bank balances	14	228.88	2,231.38
Loans and advances	11	14,329.99	2,090.44
Other current assets	15	1,232.29	1,162.29
		29,403.08	12,529.20
TOTAL		46,157.83	23,049.35
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For SPNG & Co.
Chartered Accountants
ICAI Firm Registration No.: 036919N

Pranav Arora
Partner
Membership No.: 534747

Place: New Delhi
Date: 30/03/22

UDIN: 22534747BDBVKR32

For and on behalf of the Board of Directors of
Suchalis Confectionery Private Limited

Suchali Jain
Director
DIN : 08241627

Mitali Singh
Director
DIN : 08241628



Suchalis Confectionery Private Limited
Statement of profit and loss for the year ended March 31, 2022
 (All amount in INR Thousands unless otherwise stated)

	Notes	For the year ended March 31, 2022 Amount (Rs.)	For the year ended March 31, 2021 Amount (Rs.)
Income			
Revenue From Operations	16	1,07,758.85	41,781.25
Other Income	17	1,198.04	12.96
Total Income (I)		1,08,956.89	41,794.21
Expenses			
Cost of Material Consumed	18	31,343.06	8,809.40
Changes in Inventories of finished goods, work-in-progress and product for sale	18b	654.33	(1,139.75)
Employee benefit expenses	19	34,205.09	11,776.32
Other expenses	20	30,809.93	15,104.82
Depreciation and amortization expense	21	3,859.64	1,792.29
Finance Costs	22	616.89	23.16
Total Expenses (II)		1,01,488.94	36,366.24
Profit/ (Loss) before tax (I- II)		7,467.95	5,427.97
Tax expenses			
Current tax		(3,628.20)	(1,417.33)
Deferred tax (credit)		(1,072.31)	(115.92)
Total tax expense		(2,555.89)	(1,533.25)
Profit for the Year		4,912.05	3,894.72
Earnings per equity share :			
Basic: Nominal value per equity share Rs.10	23	491.21	389.47
Summary of significant accounting policies	2.1		

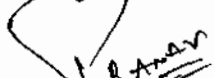
The accompanying notes are an integral part of the financial statements.

As per our report of even date

For SPNG & Co.

Chartered Accountants

Firm Registration No:



Pranav Arora

Partner

Membership No.: 534747

Place: New Delhi

Date: 20/09/22

For and on behalf of the Board of Directors of
Suchalis Confectionery Private Limited



Suchali Jain

Director

DIN : 08241627



Mitali Singh

Director

DIN : 08241628



Suchalis Confectionery Private Limited
Notes to the financial statement for the year ended March 31, 2022
(All amount in INR Thousands unless otherwise stated)

3 Share capital

	March 31, 2022		March 31, 2021	
	Number	Amount (Rs.)	Number	Amount (Rs.)
Authorised shares				
Equity Shares of Rs. 10 each	10.00	100.00	10.00	100.00
Issued, subscribed and fully paid-up shares				
Equity Shares of Rs. 10 each	10.00	100.00	10.00	100.00
	10.00	100.00	10.00	100.00

(a) Reconciliation of the shares outstanding at the beginning and at the end of the year
Equity shares

	March 31, 2022		March 31, 2021	
	Number	Amount (Rs.)	Number	Amount (Rs.)
At the beginning of the period	10.00	100.00	10.00	100.00
Issued during the period	-	-	-	-
Outstanding at the end of the period	10.00	100.00	10.00	100.00

(b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Shares held by holding company and its subsidiaries

Out of equity shares issued by the company, shares held by its holding company and their subsidiaries are as below:

	March 31, 2022		March 31, 2021	
	Number	Amount	Number	Amount
No Shareholding by Holding/ Group Companies				

(d) Details of shareholders holding more than 5% shares in the Company

Name of Shareholder	March 31, 2022		March 31, 2021	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Equity shares				
Suchali Jain	5.00	50%	5.00	50%
Mitali Singh	5.00	50%	5.00	50%

(e) Details of shares held by Promoters at the end of the year

Name of Shareholder	Change in shareholding pattern of the promoter	March 31, 2022		March 31, 2021	
		No. of shares held	% of Holding as at March 31, 2022	No. of shares held	% of Holding as at March 31, 2021
Equity Shares					
Suchali Jain	No Change	5.00	50%	5.00	50%
Mitali Singh	No Change	5.00	50%	5.00	50%

4 Reserves and surplus

	31-Mar-22	March 31, 2021
	Amount (Rs.)	Amount (Rs.)
Surplus in the statement of profit and loss		
Balance as per last financial statements	4,548.39	653.67
Net Profit for the year	4,912.05	3,894.72
Total reserves and surplus	9,460.45	4,548.39

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Suchalis Confectionery Private Limited
Notes to the financial statement for the year ended March 31, 2022
(All amount in INR Thousands unless otherwise stated)

5 Long term borrowings	March 31, 2022 Amount (Rs.)	March 31, 2021 Amount (Rs.)
Secured loans		
- From YES Bank Ltd.	2,180.70	2,654.76
Loans From Directors		
Suchali Jain	6,552.68	2,500.00
Mitali Singh	3,606.69	1,500.00
Other loan & advances		
CREDIT CARD NO.XXXX9894	6.10	-
Total	12,346.16	6,654.76
6 Deferred tax liabilities:	March 31, 2022 Amount (Rs.)	March 31, 2021 Amount (Rs.)
Deferred tax asset/ liability		
Fixed assets: Impact of difference between tax depreciation and depreciation charged for the financial reporting	-	-
Deferred tax asset		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purpose on payment basis.	-	-
Net deferred tax liabilities	-	-
7 Short term borrowings	March 31, 2022 Amount (Rs.)	March 31, 2021 Amount (Rs.)
Secured loans (Overdraft)		
HDFC Bank Ltd	4,951.19	-
Total	4,951.19	-
8 Other current liabilities	March 31, 2022 Amount (Rs.)	March 31, 2021 Amount (Rs.)
Trade Payables		
- Total outstanding dues of micro enterprises and small	722.52	-
- Total outstanding dus of creditors other than micro enterprises and small enterprises	1,429.99	4,885.26
	2,152.51	4,885.26
Other liabilities		
Audit Fees Payable	400.00	-
Provision for Income Tax	3,628.20	1,417.33
Statutory dues payable	1,342.37	970.58
Salary payable	5,057.84	2,866.65
Other Payables	2,181.93	30.00
Advance received from Customers	1,576.37	1,576.37
Bonus & Ex-Gratia Payable	964.05	-
Leave Encashment Payable	968.68	-
Gratuity Payable	1,028.08	-
Total	17,147.53	6,860.93
	19,300.04	11,746.19

The disclosures relating to Micro, Small and Medium Enterprises have been furnished to the extent such parties have been identified on the basis of the intimation received from the suppliers regarding their status under the Micro, Small and Medium Development Act, 2006. There is no interest paid/payable as at March 31, 2022

Particulars	March 31, 2022 Amount (Rs.)	March 31, 2021 Amount (Rs.)
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	-	-
i) Principal amount due to micro and small enterprise	722.52	-
ii) Interest due on above	-	-
iii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
v) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	-	-



Suchalis Confectionery Private Limited

For the year ended 31-March-2022

(All amount in INR Thousands unless otherwise stated)

Particulars	W/P Ref	Life of Assets (Years)	GROSS BLOCK			DEPRECIATION/AMORTIZATION			NET BLOCK			
			As on April 1, 2021	Additions	Deletions	As on Mar 31, 2022	As on April 1, 2021	For the year	On deductions	As on Mar 31, 2022	As on April 1, 2021	
Tangible Assets												
Furniture and Fixtures	SCPL.1	10	1,697.93	1,456.83	-	3,154.76	323.74	432.41	-	756.15	2,398.61	1,374.19
Office Equipments	SCPL.2	5	389.60	721.19	-	1,110.80	280.03	175.82	-	455.85	654.95	109.57
Plant & Machinery	SCPL.3	15	3,817.69	3,550.93	-	7,368.62	766.36	1,098.23	-	1,864.59	5,504.03	3,051.33
Computer	SCPL.4	3	140.72	459.01	-	599.73	58.85	169.83	-	228.68	371.05	81.87
Leasehold Improvements	SCPL.5	10	2,346.73	1,190.11	-	3,536.84	447.14	612.25	-	1,059.39	2,477.45	1,899.58
Motor Vehicle	SCPL.6	8	4,496.35	423.75	-	4,920.10	733.29	1,307.54	-	2,040.83	2,879.27	3,763.06
Kitchen Equipments	SCPL.7	15	-	1,344.74	-	1,344.74	-	63.56	-	63.56	1,281.18	-
TOTAL			12,889.02	9,146.57	-	22,035.59	2,609.42	3,859.64	-	6,469.06	15,566.53	10,279.60
Intangible Assets												
Computer Software	SCPL.8		24.50	-	24.50	-	8.94	-	8.94	0.0	(0.0)	15.56
Website under development	SCPL.9		109.06	-	109.06	-	-	-	-	-	-	109.06
TOTAL			133.56	-	133.56	-	8.94	-	8.94	0.00	(0.00)	124.62
GRAND TOTAL			13,022.58	9,146.57	133.56	22,035.59	2,618.36	3,859.64	8.94	6,469.07	15,566.52	10,404.22



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Suchalis Confectionery Private Limited
Notes to the financial statement for the year ended March 31, 2022
(All amount in INR Thousands unless otherwise stated)

10 Deferred tax assets:

	March 31, 2022 Amount (Rs.)	March 31, 2021 Amount (Rs.)
Deferred tax asset/ liability		
Fixed assets: Impact of difference between tax depreciation and depreciation charged for the financial reporting	246.59	115.92
Deferred tax asset		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purpose on payment basis.	941.64	-
Net deferred tax asset	1,188.22	115.92

11 Loans and advances

	Non-current March 31, 2022 Amount (Rs.)	Current March 31, 2022 Amount (Rs.)	Non-current March 31, 2021 Amount (Rs.)	Current March 31, 2021 Amount (Rs.)
Other loans and advances				
Unsecured, considered good				
Balance with government authorities	-	2,469.33	-	188.11
Advance Tax/TDS Receivable/TCS Receivable	-	3,910.30	-	1,200.00
Advance to Employees	-	42.74	-	48.74
Other advances				
Investment in Mumbai (Lower of cost and Market value)	-	-	-	641.60
Prepaid expenses	-	7,907.62	-	11.99
Total	-	14,329.99	-	2,090.44

12 Trade Receivables

	March 31, 2022 Amount (Rs.)	March 31, 2021 Amount (Rs.)
Due for a period more than six months		
Unsecured, considered doubtful	9,335.11	3,660.63
	9,335.11	3,660.63
Due for a period less than six months		
Unsecured, considered good	-	-
Total	9,335.11	3,660.63

13 Inventories

	Current March 31, 2022 Amount (Rs.)	Current March 31, 2021 Amount (Rs.)
Inventories (Valued at cost or NRV unless otherwise stated)		
Raw Material	3,736.46	2,193.50
Finished Goods	536.63	1,190.96
Packing Materials	3.72	-
Total Inventories	4,276.81	3,384.46

14 Cash and bank balances

	Non-current March 31, 2022 Amount (Rs.)	Current March 31, 2022 Amount (Rs.)	Current March 31, 2021 Amount (Rs.)	Current March 31, 2021 Amount (Rs.)
Cash and cash equivalents				
Balances with banks:				
- On current accounts	-	-	-	2,226.89
Paytm	-	73.72	-	4.10
Cash in hand	-	139.49	-	0.39
Imprest account	-	15.67	-	-
	-	228.88	-	2,231.38

15 Other Current assets

	Non-current March 31, 2022 Amount (Rs.)	Current March 31, 2022 Amount (Rs.)	Non-current March 31, 2021 Amount (Rs.)	Current March 31, 2021 Amount (Rs.)
Advance to Suppliers	-	25.58	-	25.58
Security Deposit	-	1,170.00	-	570.00
Lift Charges Receivable	-	-	-	530.00
Receivable from Subscribers	-	36.70	-	36.70
	-	1,232.29	-	1,162.29
	-	1,232.29	-	1,162.29

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Suchalis Confectionery Private Limited
Notes to the financial statement for the year ended March 31, 2022
(All amount in INR Thousands unless otherwise stated)

16 Revenue From Operations		
	March 31, 2022 Amount (Rs.)	March 31, 2021 Amount (Rs.)
Revenue from operations		
Sale of Goods	1,07,758.85	41,781.25
Total	1,07,758.85	41,781.25
17 Other Income		
	March 31, 2022 Amount (Rs.)	March 31, 2021 Amount (Rs.)
Other Income	1,198.04	12.96
Total	1,198.04	12.96
18 Cost of Material consumed		
	March 31, 2022 Amount (Rs.)	March 31, 2021 Amount (Rs.)
Inventory at the beginning		
Raw Material	2,193.50	12.88
Packing Materials		
	2,193.50	12.88
Add Purchase		
Raw Material	29,639.03	10,990.02
Packing Materials	3,250.72	-
	32,889.75	10,990.02
Less Inventory at the end		
Raw Material	3,736.46	2,193.50
Packing Materials	3.72	-
	3,740.18	2,193.50
Total	31,343.06	8,809.40
18b Changes in Inventories		
	March 31, 2022 Amount (Rs.)	March 31, 2021 Amount (Rs.)
Inventory at the end of the year		
Finished Goods	536.63	1,190.96
	536.63	1,190.96
Less Inventory at the beginning of the year		
Consumption	1,190.96	51.21
	1,190.96	51.21
(Increase)/decrease in inventories		
Finished Goods	654.33	(1,139.75)
Total	654.33	(1,139.75)

Stock - Ageing

Particulars	As at 31.03.2022			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
i) Raw Material	3,736.46	-	-	-
ii) Packing Material	3.72	-	-	-
iii) Finished Goods	536.63	-	-	-
Particulars	As at 31.03.2021			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
i) Raw Material	2,193.50	-	-	-
ii) Packing Material	-	-	-	-
iii) Finished Goods	1,190.96	-	-	-

19 Employee benefit expenses		
	March 31, 2022 Amount (Rs.)	March 31, 2021 Amount (Rs.)
Salaries & Wages	27,627.72	10,877.34
Contribution to PF & ESIC	2,002.31	316.43
Bonus	1,219.35	86.52
Gratuity	1,028.08	-
Leave Encasement	968.68	-
Staff welfare expenses	1,358.95	-
	34,205.09	11,280.29

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Suchalis Confectionery Private Limited
Notes to the financial statement for the year ended March 31, 2022
 (All amount in INR Thousands unless otherwise stated)

20 Other Expenses

	March 31, 2022 Amount (Rs.)	March 31, 2021 Amount (Rs.)
Advertising expenses	-	255.06
Business promotions	-	175.71
Legal and professional fees (refer note below)	2,332.95	836.18
Delivery expenses	1,672.22	824.15
Power and Fuel	3,826.02	2,163.11
Freight outward & Cartage	287.06	65.22
Stock and spare parts consumed	139.63	404.92
Insurance expenses	54.29	188.54
Miscellaneous expenses	143.33	823.54
Packaging and Handling	380.17	1,574.27
Printing and Stationery	72.85	27.78
Credit Reversal Due to Exempt sale	3,287.95	1,095.08
Diwali Gifts	-	70.00
Bad debts (Amount is less than 1lakhs)	-	3.90
Donations	-	11.30
Sale commission	2,207.65	44.88
Late fees on TDS & Taxes	199.93	23.60
Rent	9,018.45	5,046.79
Office expenses	1,451.18	226.69
Telephone expenses	46.97	27.29
Repair and Maintenance	640.47	378.24
Sundry/Housekeeping expenses	789.62	201.43
Commission	517.30	363.05
Travelling and Conveyance	1,694.31	114.51
Marketing Expenses	914.30	11.25
Discount	-	61.73
Round off	-	0.43
Interest	233.28	86.17
Rates & Taxes	99.18	-
Software & Website charges	245.42	-
Fees & Subscription	555.42	-
	30,809.93	15,104.82

Payment to Auditors (Included in Legal and professional Expenses):

	March 31, 2022 Amount (Rs.)	March 31, 2021 Amount (Rs.)
Audit Fees	400.00	70.00
Reimbursement of expenses	-	-
	400.00	70.00

21 Depreciation and amortization expense

	March 31, 2022 Amount (Rs.)	March 31, 2021 Amount (Rs.)
Depreciation on tangible assets	3,859.64	1,788.46
Amortization on intangible assets	-	3.83
	3,859.64	1,792.29

22 Finance Costs

	March 31, 2022 Amount (Rs.)	March 31, 2021 Amount (Rs.)
Bank Charges	146.84	23.16
Bank Interest	204.55	-
OD-Processing Fee	265.50	-
	616.89	23.16



23 Earnings per share (EPS)

The following reflects the profit and share data used in the basic EPS computations:

	March 31, 2022 Amount (Rs.)	March 31, 2021 Amount (Rs.)
Net profit for calculation of basic EPS	4,912.05	3,894.72
Weighted average number of equity shares in calculating basic EPS	10.00	10
Basis EPS	491.21	389.47

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Suchalis Confectionery Private Limited
Notes to the financial statement for the year ended March 31, 2022
(All amount in INR Thousands unless otherwise stated)

24 Related Party Disclosure

a) List of Related parties

- (i) Key Management Personnel
Suchali Jain - Director
Mitali Singh - Director

b) Transactions with Key Managerial Personnel:
Compensation of key managerial personnel of the company recognised as expense during the reporting period.

Nature of transactions	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Suchali Jain	2,427.37	2,335.78
Mitali Singh	3,475.70	2,100.00
Total	5,903.07	4,435.78

Balance outstanding at the end of the year		
Nature of transactions	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Remuneration Payable	2,138.32	1,921.40
Total	2,138.32	1,921.40

c) Transactions with Related Parties⁽²⁾:

The details of the related party transactions entered into by the Company, for the year ended March 31, 2022 are as follows:

(i) Loans & Advances during the period

Nature of transactions	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Suchali Jain	4,226.35	2,500.00
Mitali Singh	3,606.69	1,500.00
Total	7,833.04	4,000.00

Loans & Advance Repaid during the year

Nature of transactions	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Suchali Jain	173.68	-
Mitali Singh	1,500.00	-
Total	1,673.68	-

(ii) Purchase of Goods

Nature of transactions	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Total	-	-

(iii) Sale of Goods

Nature of transactions	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Total	-	-

d) Outstanding Loans from Related Parties

Particulars	As at March 31, 2022	As at March 31, 2021
	Suchali Jain	6,552.68
Mitali Singh	3,606.69	1,500.00
Total	10,159.36	4,000.00

- 25 As at 31st March, 2022, the management of the Company has not reconciled its input tax credits in GSTR-3B and books of accounts with the GST portal for the FY 2021-22 till September 2022. Therefore, the actual quantification of amount for the difference in input GST credit as per books and GSTR-3B with GST portal is not been done and the impact of this difference cannot be ascertained.
- 26 The management of the company has not reconciled its closing balance of debtors and creditors as mentioned in the books of accounts. Further, no confirmation has been received by the company. The differences if any, has not been quantified due to insufficient data and reconciliation.
- 27 The management of the company has not physically verified the closing stock. Hence, stock register is not available for review.
- 28 The loan account of directors is kept separate from director remunerations and other accounts. No transactions except interest and repayment/introduction are recorded in these accounts.
- 29 The Company has paid Rs.7800.00 (in thousands) to four consultants in the month of March 2022, towards the technical service fee for development of brand, e-commerce technical support and advisory, e-marketing, technical advice for improvising the products, etc for the period starting from 31st March 2022 till 31st March 2026. The agreement with each consultant is available in records for verification. The said amount includes an advance payment of Rs.7794.66 (in thousands) for FY 2022-23, 2023-24, 2024-25 and 2025-26 which has been provided as prepaid expenses in the balance sheet as at 31st March, 2022. Further, the TDS at the rate of 2% has been deducted & deposited on the total amount of Rs.7800 (in thousands).

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Suchalis Confectionery Private Limited
Notes to the financial statement for the year ended March 31, 2022
(All amount in INR Thousands unless otherwise stated)

30 Disclosure of Ratios

The following tables summarize the ratio analysis:

Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	% change
Current ratio	Current Assets	Current Liabilities	1.212	1.067	13.67%
Return on Equity ratio	Net Profit after taxes	Average shareholder's Equity	0.691	1.442	-52.05%
Inventory Turnover ratio	Cost of Goods Sold or Sales	Average Inventory	28.131	24.231	16.09%
Trade Payable Turnover Ratio	Net Credit Purchase	Average Trade payables	9.347	4.142	125.67%
Trade Receivable Turnover Ratio	Net Credit Sales	Average Accounts Receivable	16.584	12.340	34.39%
Net Capital Turnover Ratio	Net Sales	Working Capital (Current Assets- Current Liabilities)	20.917	53.360	-60.80%
Net Profit ratio	Net Profit after taxes	Net Sales	0.046	0.093	-51.10%
Debt Equity Ratio	Total Debt	Shareholder's Equity	1.291	1.432	-9.80%
Return on Capital Employed	Earning before Interest and taxes	Capital employed	0.341	0.480	-29.01%

1. Return on Equity ratio: The Ratio has reduced because of increase in Average Shareholder Capital on account of Profits
2. Trade Payable Turnover Ratio: The ratio has increased since company is paying off its creditor more frequently
3. Trade Receivable Turnover Ratio: Increase in sales and debtors on account of expansion of business resulted in higher trade receivable turnover ratio
4. Net Capital Turnover Ratio: Increased Working capital and quick recovery from debtors has been reason for variance
5. Net Profit ratio: Opening of new branches and increased business promotion has resulted in reduced profits
6. Return on Capital Employed: The variance is on account of increased capital employed and increase in business promotion expenses.

31 Trade Receivables ageing schedule as on 31st March, 2022

Particulars	Outstanding for following periods from due date of payment (Amount in INR)					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	9,114.08	-	221.03	-	-	9,335.11
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
(v) Provision for Trade Receivables – considered doubtful	-	-	-	-	-	-

Trade Receivables ageing schedule as on 31st March, 2021

Particulars	Outstanding for following periods from due date of payment (Amount in INR)					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	3,660.63	-	-	-	-	3,660.63
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
(v) Provision for Trade Receivables – considered doubtful	-	-	-	-	-	-

32 Trade Payable ageing schedule as on 31st March, 2022

Particulars	Outstanding for following periods from due date of payment (Amount in INR)				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of MSME	-	722.52	-	-	722.52
(ii) Total outstanding dues of creditors other than MSME	-	1,429.99	-	-	1,429.99
(iii) Disputed dues of MSME	-	-	-	-	-
(iv) Disputed dues of creditors other than MSME	-	-	-	-	-

Trade Payable ageing schedule as on 31st March, 2021

Particulars	Outstanding for following periods from due date of payment (Amount in INR)				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Total outstanding dues of MSME	-	-	-	-	-
(ii) Total outstanding dues of creditors other than MSME	4,622.16	263.10	-	-	4,885.26
(iii) Disputed dues of MSME	-	-	-	-	-
(iv) Disputed dues of creditors other than MSME	-	-	-	-	-

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Suchalis Confectionery Private Limited
Notes to the financial statement for the year ended March 31, 2022
(All amount in INR Thousands unless otherwise stated)

- 33 Company has a Cash Credit (CC) limit from bank on the basis of security of current assets, the drawing power for which started in June 2021. The disclosure of same has been given in the table below:

Month of Filing	Statement Filing Status	Amount as per books (Stock+Debtor-Creditors)	Amount as per Statement (Stock+Debtor-Creditors)	Amount of Variance	Reason for Variance
July 2021	Filed	7,600.30	5,851.36	1,748.94	The Variance is on account of improper book keeping & record maintenance at the end of the management of the Company.
August 2021	Not Filed	8,164.62	-	(17,140.71)	
September 2021	Filed	11,270.48	28,411.19	4,199.81	Reconciliation of debtors and creditors could not be completed or done by the management, on monthly basis due to non receipt / non realisation of invoices on time.
October 2021	Filed	14,648.29	10,448.48	(6,838.94)	
November 2021	Not Filed	16,010.28	-	(1,641.51)	The management of the Company has also shifted its book keeping and account maintenance from one consultant to another, due to which the accounting was halted and impacted. Also, The Company has opened two branches during the year, due to which the segregation of stock could not take place on month to month basis.
December 2021	Filed	18,065.71	24,204.65	512.88	
January 2022	Filed	20,131.13	21,772.64	(6,977.99)	
February 2022	Filed	17,787.25	17,274.38	13,484.13	
March 2022	Filed	6,506.14			

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Suchalis Confectionery Private Limited**Notes to the financial statement for the year ended March 31, 2022**

(All amount in INR Thousands unless otherwise stated)

34 Other Statutory Information

- (i) No proceeding have been initiated or pending against the company under Benami Transactions (Prohibition) Act, 1988 and rules thereunder.
- (ii) The Company does not have any transaction with companies Struck Off under Section 248 of Companies Act, 2013 or under section 560 of Companies Act, 1956.
- (iii) The Company has not been declared as a willful defaulter by any bank or financial institution or any other lender.
- (iv) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (v) During the year company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of section 73 to 76 of Companies Act, 2013.
- (vi) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (vii) The company does not have any Charges or Satisfaction which is yet to be registered with ROC beyond the Statutory Period.
- (viii) The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (ix) The company has not received any fund from the person(s) or entity(ies), including foreign entities (Funding Parties) with the understanding that the (whether recorded in writing or otherwise) that the Company shall:
- a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (x) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
- (ix) The Company does not have any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) held in name of the Company as at 31st March 2022.
- (xii) During the year, the company has not revalued any of its Property, Plant & Equipment.
- (xiii) The provisions of clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 are not applicable to the Company.
- (xiv) No scheme of Arrangement has been approved by Competent authority in terms of Sections 230 to 237 of the Companies Act, 2013 in respect of the Company.
- (xv) The provision of Corporate social responsibility is not applicable on the company as per section 135 of the Companies Act 2013.
- (xvi) Previous year figures have been regrouped and reclassified.

As per our report of even date

For SPNG & Co.
Chartered Accountants
ICAI Firm Registration No.: 036919N

Pranav Arora
Partner
Membership No.: 534747

Place: New Delhi

Date: 20/09/22



For and on behalf of the Board of Directors of
Suchalis Confectionery Private Limited

Suchali Jain
Director
DIN : 08241627

Mitali Singh
Director
DIN : 08241628



Suchalis Confectionery Private Limited
Notes to financial statements for the year ended on March 31, 2022

1. Corporate Information

Suchalis Confectionery Private Limited is a private limited company incorporated in India. The company is engaged in the the business of manufacturing, processing, distributing, marketing and selling goods related to specialty foods and beverage products, including, but not limited to bakery and coffee products and providing services such as saleable drink in a kiosk format or via delivery for personal and commercial use, and any other business that may be conducted from time to time, throughout India and overseas.

2. Basis of Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material aspects with the accounting standards notified under section 133 of the Companies Act, 2013, read together with rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The financial statements have been prepared on an accrual basis and under the historical cost convention. The financial statements are presented in Indian Rupees unless otherwise stated.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

The management has determined its operating cycle, as explained in the schedule III of the Companies Act, 2013, as twelve months having regard to the nature of business being carried out by the Firm. The same has been considered for classifying assets and liabilities as 'current' and 'non-current' while preparing the financial statements.

The company is a small and medium-sized company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under section 133 of the Companies Act 2013. Accordingly, the Company has complied with the Accounting Standards as applicable to an SMC.

2.1 Summary of Significant Accounting Policies

(a) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

(b) Property plant and Equipment

(i) Property Plant and Equipment

Property Plant and Equipment, are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price. Any trade discounts and rebates are deducted in arriving at the purchase price.



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Suchalis Confectionery Private Limited
Notes to financial statements for the year ended on March 31, 2022

Gains or losses arising from derecognition of property plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

The Company identifies and determines cost of each component /part of the asset separately, if the component/part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Property, plant and equipment held for sale is valued at lower of their carrying amount and net realizable value. Any write-down is recognized in the statement of profit and loss.

(ii) Depreciation

Depreciation on Property, Plant & Equipment's has been provided on Written Down Value method on the basis of useful life of the assets as prescribed under Part C of Schedule II to the Companies Act, 2013. Depreciation on assets added, sold or discarded during the year has been provided on pro-rata basis.

Intangible assets are amortized on a straight-line basis over the estimated useful economic life. The amortization period and the amortization method are reviewed at least at each financial year end.

Gains or losses arising from derecognition of Property, Plant & Equipment's are measured as the difference between the net disposal proceeds and the carrying amount of the assets are recognised in the statement of profit and loss when the asset is derecognised.

(iii) Impairment

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(c) Inventories

Inventories are stated at lower of cost and net realisable value. The cost of finished goods comprises purchase cost, freight cost and other direct costs, as applicable. Net realisable value is the estimated



Suchalis Confectionery Private Limited
Notes to financial statements for the year ended on March 31, 2022

selling price in the ordinary course of business, less the estimated costs of goods and the estimated costs necessary to make the sale.

(d) Government Grants and Subsidies

Grants and Subsidies from government are recognised when there is reasonable assurance that (i) the company will comply with the conditions attached to them, and (ii) the grants / subsidy will be received. Government grants/ subsidies received towards specific Fixed assets have been deducted from the Written Down value of the concerned Fixed assets.

(e) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for providing services to a customer, excluding amounts collected on behalf of third parties.

- (i) Sales are recognized when the substantial risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract and are recognized net of trade discounts, rebates and gst taxes.
- (ii) Dividend from the investments is recognised when the company's right to receive payment is established.
- (iii) Interest Income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other income" in the statement of profit and loss.
- (iv) Other items of revenue are recognised only when there are no uncertainties in the ascertainment/ realisation of income.

(f) Foreign Currency translation

a. Initial Recognition

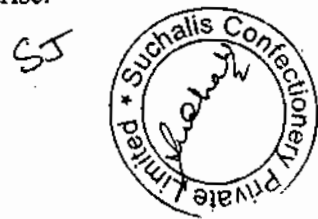
Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

b. Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

c. Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting the Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.



Suchalis Confectionery Private Limited
Notes to financial statements for the year ended on March 31, 2022

(g) Retirement and other employee benefits

Provident Fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other, than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity

The Gratuity Act, 1972 are not applicable as the firm has less than 10 employees at the end of Financial Year March, 2019 and in the absence of obligation in respect of gratuity disclosures as required by the Accounting Standard 15 on 'Employees Benefits' are not applicable for the year.

Compensated Absences

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

(h) Borrowing Cost

Borrowing Cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowing and exchange differences arising from foreign currency borrowings (if any) to the extent they are regarded as an adjustment to the interest cost.

Borrowing cost directly attributable to the acquisitions, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur.

(i) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current investments.

Current investments are carried at lower of cost and fair value.

Non-current Investments are valued at cost of acquisition. The carrying values of non-current investments are reduced by the diminution (other than temporary) in the value of investment.

(j) Income Taxes

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

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Suchalis Confectionery Private Limited
Notes to financial statements for the year ended on March 31, 2022

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws.

(k) Leases

Operating Leases

Where the Company is lessee:

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

(l) Earnings per Share

The Company reports the basic and diluted Earning Per Share in accordance with Accounting Standard 20 on "Earning Per Share" issued by the Institute of Chartered Accountants of India (ICAI).

The basic earnings per share are computed by dividing the net profit/(loss) attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year.

Diluted Earning Per Share is calculated by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares except where the results are anti-dilutive.



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Suchalis Confectionery Private Limited
Notes to financial statements for the year ended on March 31, 2022

(m) Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

(n) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

(o) Cash and cash equivalents

Cash and cash equivalents for the purposes of financial statements comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.



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**Swati A Gupta & Associates****Chartered Accountants**

Office: -B-1808, Ace City, Greater Noida West, Uttar Pradesh-201306

(M): +91-9999343605

Email: caswatigp@gmail.com

To,

The Board of Directors,
Muhavra Enterprises Private Limited
Plot 320, Udyog Vihar, Phase II, Gurgaon , Haryana - 122008

Dear Sirs,

We hereby certify the provisional Unaudited Standalone financial statements of Muhavra Enterprises Private Limited which comprises the Balance Sheet as at December 31, 2022, and the Statement of Profit and Loss for the period then ended 31st December 2022. Kindly note the effect of deferred tax/liability has not been taken in the provisional financial statements.

The Company is responsible for the preparation of the financial information. We have not expressed an opinion on the standalone financial statements as well as any form of assurance conclusion thereon.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

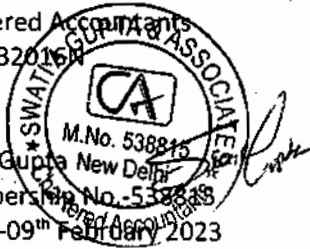
Respectfully submitted

For and on behalf of Swati A Gupta & Associates

Chartered Accountants

FRN:0320164

Swati Gupta New Delhi
M.No. 538815
Membership No. -538815
Date: -09th February 2023
UDIN: 23538815BGZAGC1310



Muhavra Enterprises Private Limited**Provisional Statement of profit and loss for the year ended December 31, 2022**

	For the year ended December 31, 2022 Amount (Rs.)	For the year ended March 31, 2022 Amount (Rs.)
Income		
Revenue from Operations	91,89,77,124	73,80,90,217
Other Income	25,851	86,21,596
Total Income (A)	91,90,02,975	74,67,11,813
Expenses:		
Cost of Materials Consumed	37,72,94,443	31,72,37,832
Employee Benefits Expense	25,53,82,887	21,99,98,827
Finance Costs	3,30,20,894	1,70,09,651
Depreciation and Amortization expense	3,67,79,448	6,27,01,453
Other Expenses	33,26,96,034	28,48,26,842
Total Expenses (B)	1,03,51,73,705	90,17,74,605
Profit/(Loss) before tax (A) - (B)	(11,61,70,730)	(15,50,62,792)
Tax Expense	-	-
Current tax	-	-
Less: MAT Credit Entitlement	-	-
Deferred tax	-	(3,25,93,194)
Profit/(Loss) after tax	(11,61,70,730)	(12,24,69,598)



Muhavra Enterprises Private Limited
Provisional Balance Sheet as at 31st December, 2022

	December 31, 2022 Amount (Rs.)	March 31, 2022 Amount (Rs.)
Shareholders' funds		
Share Capital	3,27,160	3,10,610
Reserves and Surplus	68,96,12,949	63,47,21,018
SubTotal	68,99,40,109	63,50,31,628
Non Current Liabilities		
Long term borrowings	-	22,72,034
Other Long term liabilities	-	12,83,921
Long term provisions	3,16,62,099	1,41,86,464
SubTotal	3,16,62,099	1,77,42,419
Current Liabilities:		
Short Term Borrowings	20,17,38,127	10,37,07,501
Trade Payables	5,05,10,605	6,60,73,741
Other Current Liabilities	1,17,30,635	2,40,70,963
Short Term Provisions	10,00,000	22,33,507
SubTotal	26,49,79,367	19,60,85,712
Total Liabilities	98,65,81,575	84,88,59,760
Assets:		
Non-Current Assets		
Tangible assets	32,49,73,073	21,23,22,778
Intangible Assets	2,85,78,938	1,54,85,225
Non-Current Investment	2,87,53,990	97,41,990
Deferred Tax Assets (Net)	8,38,92,910	8,38,92,080
Long-term Loans and Advances	5,88,62,988	4,48,38,914
SubTotal	52,50,61,899	36,62,80,988
Current Assets:		
Current Investments	(0)	-
Trade Receivables	9,56,11,361	5,83,98,965
Inventories	25,08,22,009	14,52,41,803
Cash and Bank Balances	3,08,71,836	18,74,56,055
Short-Term Loans and Advance:	6,10,38,404	8,66,69,138
Other Current Assets	2,31,76,067	48,12,814
SubTotal	46,15,19,676	48,25,78,774
Total Assets	98,65,81,575	84,88,59,760



Muhavra Enterprises Private Limited
Provisional Balance Sheet as at 31st December, 2022

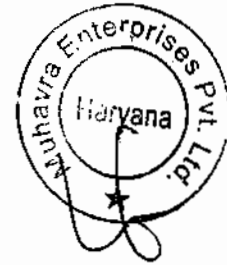
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	December 31, 2022 Amount (Rs.)	March 31, 2022 Amount (Rs.)
Shareholders' funds		
Share Capital	3,27,160	3,10,610
Reserves and Surplus	68,96,12,949	63,47,21,018
SubTotal	68,99,40,109	63,50,31,628
Non Current Liabilities		
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Current Liabilities:		
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Trade Payables	5,05,10,605	6,60,73,741
Other Current Liabilities	1,17,30,635	2,40,70,963
Short Term Provisions	10,00,000	22,33,507
SubTotal	26,49,79,367	19,60,85,712
Total Liabilities	98,65,81,575	84,88,59,760
Assets:		
Non-Current Assets		
Tangible assets	32,49,73,073	21,23,22,778
Intangible Assets	2,85,78,938	1,54,85,225
Non-Current Investment	2,87,53,990	97,41,990
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SubTotal	52,50,61,899	36,62,80,988
Current Assets:		
Current Investments	(0)	-
Trade Receivables	9,56,11,361	5,83,98,965
Inventories	25,08,22,009	14,52,41,803
Cash and Bank Balances	3,08,71,836	18,74,56,055
Short-Term Loans and Advance:	6,10,38,404	8,66,69,138
Other Current Assets	2,31,76,067	48,12,814
SubTotal	46,15,19,676	48,25,78,774
Total Assets	98,65,81,575	84,88,59,760



Provisional Statement of profit and loss for the year ended December 31, 2022

	For the year ended December 31, 2022 Amount (Rs.)	For the year ended March 31, 2022 Amount (Rs.)
Income		
Revenue from Operations	91,89,77,124	73,80,90,217
Other Income	25,851	86,21,596
Total Income (A)	91,90,02,975	74,67,11,813
Expenses:		
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Employee Benefits Expense	25,53,82,887	21,99,98,827
Finance Costs	3,30,20,894	1,70,09,651
Depreciation and Amortization expense	3,67,79,448	6,27,01,453
Other Expenses	33,26,96,034	28,48,26,842
Total Expenses (B)	1,03,51,73,705	90,17,74,605
Profit/(Loss) before tax (A) - (B)	(11,61,70,730)	(15,50,62,792)
Tax Expense	-	-
Current tax	-	-
Less: MAT Credit Entitlement	-	-
Deferred tax	-	(3,25,93,194)
Profit/(Loss) after tax	(11,61,70,730)	(12,24,69,598)



ANNEXURE 7

**Swati A Gupta & Associates**

Chartered Accountants

Office: -B-1808, Ace City, Greater Noida West, Uttar Pradesh-
201306(M): +91-9999343605

Email: caswatigp@gmail.com

To,

The Board of Directors,
Suchalis Confectionery Private Limited
Plot No-321, Udyog Vihar-2, Sector-20 Gurgaon HR 122016

Dear Sirs,

We hereby certify the provisional Unaudited Standalone financial statements of Suchalis Confectionery Private Limited which comprises the Balance Sheet as at December 31, 2022, and the Statement of Profit and Loss for the period then ended 31st December 2022. Kindly note the effect of deferred tax/liability has not been taken in the provisional financial statements.

The Company is responsible for the preparation of the financial information. We have not expressed an opinion on the standalone financial statements as well as any form of assurance conclusion thereon.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Respectfully submitted

For and on behalf of Swati A Gupta & Associates

Chartered Accountants

FRN:032016N

M.No. 538815

New Delhi

Swati Gupta Chartered Accountants

Membership No. 538815

Date: -09th February 2023

UDIN: 23538815BGZAGK6048

Suchalis Confectionery Private Limited
Provisional Balance Sheet as at 31st December, 2022
 (All amount in INR Thousands unless otherwise stated)

	December 31, 2022 Amount (Rs.)	March 31, 2022 Amount (Rs.)
I. Equity and liabilities		
Shareholders' funds		
Share capital	101	100
Reserves and surplus	22,302	9,460
	22,403	9,560
Non-current liabilities		
Long-term borrowings	1,794	12,346
Deferred tax liabilities (net)	-	-
	1,794	12,346
Current liabilities		
Short Term Provisions	2,154	-
Short-term borrowings	13,411	4,951
Trade payables		
· Total outstanding dues of micro enterprises and small enterprises	-	-
· Total outstanding dues of creditors other than micro enterprises and small enterprises	23,000	2,153
Other current liabilities	25,499	17,148
	64,064	24,251
TOTAL	88,262	46,158
II. Assets		
Non-current assets		
Property plant and equipment	22,348	15,567
Intangible assets	-	-
Capital work in progress	-	-
Deferred tax assets (net)	1,188	1,188
Loans and advances	-	-
	23,536	16,755
Current assets		
Trade receivables	39,921	9,335
Inventory	6,427	4,277
Cash and bank balances	938	229
Loans and advances	14,840	14,330
Other current assets	2,598	1,232
	64,725	29,403
TOTAL	88,262	46,158



Suchalis Confectionery Private Limited**Provisional Statement of profit and loss for the year ended December 31, 2022**

(All amount in INR Thousands unless otherwise stated)

	For the year ended December 31, 2022 Amount (Rs.)	For the year ended March 31, 2022 Amount (Rs.)
Income		
Revenue From Operations	1,52,124	1,07,759
Other Income	931	1,198
Total Revenue (I)	1,53,056	1,08,957
Expenses		
Cost of Material Consumed	61,044	31,343
Changes in Inventories of finished goods, work-in-progress and product for sale	(223)	654
Employee benefit expenses	46,310	34,205
Other expenses	34,184	30,810
Depreciation and amortization expense	2,233	3,860
Finance Costs	1,226	617
Total Expenses (II)	1,44,772	1,01,489
Profit/ (Loss) before tax (I- II)	8,284	7,468
Tax expenses		
Current tax	(2,154)	(3,628)
Deferred tax (credit)	-	(1,072)
Total tax expense	(2,154)	(2,556)
Profit for the Year	6,130	4,912



Suchalis Confectionery Private Limited
 Provisional Balance Sheet as at 31st December, 2022
 (All amount in INR Thousands unless otherwise stated)

	December 31, 2022 Amount (Rs.)	March 31, 2022 Amount (Rs.)
I. Equity and liabilities		
Shareholders' funds		
Share capital	101	100
Reserves and surplus	22,302	9,460
	<u>22,403</u>	<u>9,560</u>
Non-current liabilities		
Long-term borrowings	1,794	12,346
Deferred tax liabilities (net)	-	-
	<u>1,794</u>	<u>12,346</u>
Current liabilities		
Short Term Provisions	2,154	-
Short-term borrowings	13,411	4,951
Trade payables	-	-
· Total outstanding dues of micro enterprises and small enterprises	-	-
· Total outstanding dues of creditors other than micro enterprises and small enterprises	23,000	2,153
Other current liabilities	25,499	17,148
	<u>64,064</u>	<u>24,251</u>
TOTAL	<u><u>88,262</u></u>	<u><u>46,158</u></u>
II. Assets		
Non-current assets		
Property plant and equipment	22,348	15,567
Intangible assets	-	-
Capital work in progress	-	-
Deferred tax assets (net)	1,188	1,188
Loans and advances	-	-
	<u>23,536</u>	<u>16,755</u>
Current assets		
Trade receivables	39,921	9,335
Inventory	6,427	4,277
Cash and bank balances	938	229
Loans and advances	14,840	14,330
Other current assets	2,598	1,232
	<u>64,725</u>	<u>29,403</u>
TOTAL	<u><u>88,262</u></u>	<u><u>46,158</u></u>



Suchalis Confectionery Private Limited

Provisional Statement of profit and loss for the year ended December 31, 2022

(All amount in INR Thousands unless otherwise stated)

	For the year ended December 31, 2022 Amount (Rs.)	For the year ended March 31, 2022 Amount (Rs.)
Income		
Revenue From Operations	1,52,124	1,07,759
Other Income	931	1,198
Total Revenue (I)	1,53,056	1,08,957
Expenses		
Cost of Material Consumed	61,044	31,343
Changes in Inventories of finished goods, work-in-progress and product for sale	(223)	654
Employee benefit expenses	46,310	34,205
Other expenses	34,184	30,810
Depreciation and amortization expense	2,233	3,860
Finance Costs	1,226	617
Total Expenses (II)	1,44,772	1,01,489
Profit/ (Loss) before tax (I- II)	8,284	7,468
Tax expenses		
Current tax	(2,154)	(3,628)
Deferred tax (credit)	-	(1,072)
Total tax expense	(2,154)	(2,556)
Profit for the Year	6,130	4,912



Private and Confidential

Valuation Report

Of

Shares

Of

MUHAVRA ENTERPRISES PRIVATE LIMITED AS AT 30TH NOVEMBER 2022

Prepared by:
SUBODH KUMAR
(IBBI REGISTERED VALUER)
Registration No: IBBI/RV/05/2019/11705

Contact Details

Office:

**210, 2nd floor Wadhwa Complex,
Street No-10, Laxmi Nagar New Delhi-110092**

Date: 17-12-2022



Private and Confidential

Date: 17-12-2022

To
The Board of Directors
Muhavra Enterprises Private Limited
D-173, Sushant Lok - I, Gurgaon HR 122002

Dear Sir,

Subject:- Report on Valuation of Fair Value of Shares

I, Subodh Kumar, Registered Valuer under the Companies Act, 2013 and having its IBBI Regn. No. IBBI/RV/05/2019/11705 (hereinafter referred to as ("Registered Valuer")) has been mandated by the Board of Directors on behalf of the Company, Muhavra Enterprises Private Limited, a Company incorporated under the provisions of the Companies Act, 1956 and having its registered office at D-173, Sushant Lok - I, Gurgaon HR 122002 (hereinafter referred to as "Private Limited Company") for valuation of its Shares for the purpose of proposed issuance of Shares in accordance with the requirement of Sections 42 & 62(1)(c) of the Companies Act, 2013.

Shares means Equity Shares and Compulsory Convertible Preference Shares (CCPS)

The scope of services is to conduct the valuation of Shares to determine the fair value in accordance with internationally accepted valuation standards/ICMAI Valuation Standards for the limited purpose of compliance under the Companies Act, 2013 and may not be used for any other purpose.

Based on the Discussion with the management, we have considered the valuation cut- off date as closure of business hours of 30th November 2022.

Scope of the Report:

Our scope of services under this letter is restricted to the services specified in scope of work as above and does not cover any other services including, illustratively, the following:

- Legal advice, opinion and representation in any form.
- Accounting and taxation matters, opinion and representation in any form.
- Any other certification services. Reliance would be placed on the information that may be provided by the Company.



Private and Confidential**Company Background information:**

Muhavra Enterprises Private Limited ("MEPL" / "Company") was established in 2012 vide registration Number 047234 in Haryana.

Muhavra Enterprises Pvt. Ltd, operating under the brand name Blue Tokai Coffee Roasters, is India's largest specialty coffee company. The Company sources coffee beans through direct-trade relationships with more than 30 Indian coffee estates, have roasting facilities in Delhi, Mumbai and Bangalore, and operates a network of 54 stores across the country. The company's mission since it started in 2012 has stayed simple: introduce customers to the estates they directly buy great-tasting coffee from, roast the beans with care, and make high-quality coffee more accessible through the cafes and website. The company uses Arabica specialty-grade beans, the world's highest-quality coffee beans.

Blue Tokai Coffee Roasters follow a simple set of beliefs –

- Transparency.
- A culture of constant learning.
- Focus on quality and best industrial practices.

Business operations are majorly split into the following segments –

- Roasting and supply of coffee beans and ancillary products to B2B and B2C customers
- Services provided through an ever-growing chain of 54 operational stores
- Participation in Events & Outdoor Catering.

Vision:

Part I – Become the leader in India by using a physical infrastructure of stores.

Part II – Scale store shelf consumer products in India and alter the B2B Landscape

Part III – Bring Blue Tokai Coffee Roasters to the world.

The registered office of the MEPL is situated at D-173, Sushant Lok - I, Gurgaon HR 122002. The current Directors are Christopher Leigh Kolenaty, Matthew Joseph Chitharanjan, Namrata Asthana, Shuchi Kotrhari and Shivam Shahi.



Private and Confidential**Capital Structure: -**

The Share Capital of the Company on a fully diluted basis is as under:

Sl. No.	Type of Capital	Amt in INR
1	Paid up Share Capital Comprises 14,496 Equity Shares of INR 10 each. Comprises 18,220 Compulsory Convertible Preference Shares (CCPS) of INR 10 each.	3,27,160

We understand from the management that 18,220 CCPS are convertible into 17,494 Equity Shares of INR 10 each on a fully diluted converted basis. Also, as represented by the management, the company has proposed to increase the ESOPs by 1,666 ESOPs that are convertible into 1,666 Equity shares after valuation date. Accordingly, the Capital Structure of the Company for valuation purposes would be as under:

Sl. No.	Type of Capital	No. of Shares
1	Equity Shares	14,496
2	Preference shares on a fully diluted and converted basis	17,494
3	Not exercise and outstanding ESOPs	2,012

Sources of Information:

For the purpose of arriving at the Valuation, we have essentially relied on the information provided to us by the Management of the Company which we believe to be reliable and our conclusions are dependent on such information being complete and accurate in all material respect.

Our valuation exercise is based on the following information received from the Management:

- Provisional financial statements of the Company for the Eight months ended November 30, 2022.
- Projected Financials Statements of the Company for the period from financial year 2022-23 to financial year 2026-27.
- Discussions with the Management on various issues relevant for the valuation including the prospects and outlook of the Company / industry, expected growth rate and other relevant information relating to future expected profitability of the business, etc.
- Such other information and explanations as we have required and which have been provided by the Management.



Private and Confidential**Valuation Assumptions**

Valuation under DCF method is based on management certified Provisional financials for the Eight months ended 30th November, 2022 and projections for FY 2022-23 to FY 2026-27 ("explicit period") as provided to us by the Management.

For the explicit period, free cash flows from the Share have been arrived at as follows:

- Profits after Tax as per the projections have been considered.
- Depreciation & amortization on fixed assets have been added.
- Increase in borrowings has been added and decrease in borrowing has been reduced.
- Fund requirements for incremental working capital and capital expenditure have been reduced from the cash earnings of the respective years.
- The cash flows of each year are then discounted at the Weighted Average Cost of Capital (WACC). WACC is considered as the most appropriate discount rate in the DCF Method, since it reflects both the business and the financial risk of the Company. In other words, WACC is the weighted average of the firm's cost of equity and debt. The WACC is worked out using the following parameters:
 - Cost of Equity is worked out using the following formula:
 - Risk Free Return + (Beta x Equity Risk Premium) + Company specific premium;
 - The risk-free rate of return is taken at 7.28% based on Indian government bond rate for 10 years;
(Source: <https://countryeconomy.com/bonds/india?dr=2022-11>)
 - Industry Beta is considered as 1.00 since we don't find any exact comparable Company;
 - Company specific premium of 3.00% has been considered based upon size of the Company;
- Based on the above, WACC works out to 17.53% as per calculation given above;
- After the explicit period, the business will continue to generate cash. In DCF Method, therefore, perpetuity value is also considered to arrive at the enterprise value. For arriving at the perpetuity value, we have considered a growth rate of 5.00% based on management estimate.
- The discounted perpetuity value is added to the discounted cash flows for the explicit period to arrive at the enterprise value.
- Appropriate adjustments have been made for cash and cash equivalents to arrive at the Share Value.
- Since, MEPL is an unlisted Company, discount for lack of marketability has been considered at the rate of 10%, on the Share Value.



Private and Confidential**Procedure adopted and valuation method(s) followed for the assignment:****I. Approach Considered in our Value Analysis:****General Principle for Valuation**

There is no single definition of the term 'Value' that is suitable for all purposes or at all times. The value of a particular asset may vary according to different valuation methodologies that are adopted to ascertain the value for a specific purpose. Valuation of securities is an inexact science. It may sometimes involve a set of judgments and assumptions that may be subject to certain uncertainties.

Selection of Valuation Methodology

The objective of the valuation process is to make a best reasonable judgment of the value of the shares of the Company. There are a number of valuation methodologies to value companies / businesses using historical and forecast financials of the company. Commonly used valuation methodologies are as follows:

↓ Net Asset Value (NAV) Method

The asset based valuation technique is based on the value of the underlying net assets of the business, either on book value basis or realizable value basis or on replacement cost basis. The net asset value ignores the future returns the asset can produce and is calculated using historical accounting data. This valuation approach is mainly used in the case where the business is to be liquidated i.e. it does not meet the going concern criteria or in case where the assets base dominate earnings capability. It is a growing company and its substantial value lies in the future earnings. Therefore, in the present case, we have not used NAV Method for the valuation.

↓ Discounted Cash Flow (DCF) Method

Under DCF Method, the projected free cash flows of the Company/ business are discounted at a discount rate which reflects perceived riskiness of the projected cash flows in order to arrive at their present value. Then, the terminal value of the Company/ business is calculated based on the free cash flow of the last year of the forecast period, which is based on the future long term growth of the revenues. This terminal value is then discounted to get the present terminal value. The present value of free cash flows for the projected period and present value of terminal value is added to arrive at the enterprise value. Thereafter, adjustment for non-operating assets/liabilities, surplus Cash and Cash Equivalents is made to arrive at the fair value of the Company/business.



Private and Confidential**Market Price Method**

The market price of share quoted on a stock exchange is normally considered as the value of share of the Company, if such shares are frequently traded subject to speculative support that may be inbuilt in the value of such shares. Shares of not traded on any stock exchanges and therefore, Market Price Method is not relevant for the present valuation exercise. Hence, we have not considered this method for the valuation.

Comparable Company Multiples (CCM) Method

Under CCM Method, value of shares of a company/business undertaking is arrived at using multiple derived from valuation of comparable companies as manifest through stock exchange valuation of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to the valuation. Relevant multiples need to be chosen carefully and adjusted for difference between the circumstances.

Based on the financial projections shared by the management, we are of the view that, the Company is proposing to invest Huge amount for expansion of business in next few years, which will have substantial positive effect on its revenue as well as profitability and market capitalization. We have not found any listed peers which can be compared with other company for considering its projected business model in coming few years due to nature of business, geographical differences and comparable size of the business at valuation date. Therefore, this method is not suitable in the present case and accordingly we have not considered this method for our valuation exercise.

II. Basis for arriving at Fair Value of Shares:

Based on the discussions in the preceding paragraphs w.r.t valuation methodologies as well as regulatory requirements, we have considered DCF Method for the evaluation of Shares of considering it as most appropriate method in the present case and assigned 100% weightage to this approach.

Under DCF Method, the value of per shares is based on its capacity to generate cash flows. There is some uncertainty associated with these cash flows. Thus, the challenge in valuing firms by using the DCF method is more perceptual than conceptual. The Value of per shares is **INR 1,14,689.00** based on the present value of the expected cash flows from its assets. These future cash flows are estimates based on certain parameters which are subject to various assumptions.



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III. Valuation of shares

We have formed an opinion on the Fair Value of a Shares is **INR 1,14,689.00** based on the information provided by the Management of the Company and our opinion is on Valuation Date as per Annexure.

The valuation is subject to the information as made available to us by the management of the Company and no specific audit has been carried on the same.

Disclaimer/Limitations on the Valuation of Shares

Our report is subject to the scope of limitations detailed hereinafter. As such the report is to be read in totality and not in parts. This report has been prepared solely for the purpose set out in this report and should not be made available to any other person, distributed, published or reproduced (in part or otherwise) in any other document whatsoever, without our written consent save and except for the limited purpose of this report.

Our study did not include the following:-

- Any audit of the financial statements supplied by management and available at MCA site. Carrying out a market survey / technical and financial feasibility for the Business of.
- Financial and Legal due diligence of
- Any other assurance advisory services in connection with the cash flow and valuation.

Our valuation is based on the premise that the information provided to us being complete and accurate in all material aspect.

Our value analysis is based on the information made available to us by the management of the Company and the information obtained by us from public domain as mentioned in the report. Any subsequent changes/modifications/revisions (either positive or negative) to the financial parameters and other information provided to us, may alter the result of value analysis set out in this report, positively or negatively.

Our work did not constitute an audit in accordance with Indian GAAP/ International Financial Reporting Standards and all other applicable accounting practices and procedures and examination/review of internal controls or other attestation or review services. Accordingly, we do not express an opinion on the information presented.



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It may be noted that in carrying out our work we have relied on the integrity of the information provided to us by the management of the Company and other than reviewing the consistency of such information, we have not sought to carry out an independent verification, thereof.

We have reviewed the information made available to us for overall consistency and have not carried out any detailed tests in the nature of audit to establish the accuracy of such statements and information. Accordingly, we assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided by management of the Company.

We have not carried out any independent verification of the accuracy and completeness of all information as stated above. We have not reviewed any other documents of other than those stated above. We have not made any independent verification of the physical assets of and accept no responsibility for the same.

It should be noted that for the purpose of determining Fair Value of Shares as on Valuation date, we have not considered the impact of any events on the valuation of which have occurred post the date of the valuation except mentioned in this report.

Our scope of work does not include verification of data submitted by the management of the Company and has been relied upon by us as such.

We understand that the management of the Company during our discussions with them, would have drawn our attention to all such information and matters, which may have had an impact on our valuation. In this report we have included all such information and matters as was received by us from the management of the Company.

This valuation report should not be regarded as a recommendation to invest in or deal in any form of securities of the Company and should also not be considered as its final share value.

The Management or related parties of its Shareholders and its subsidiaries/ associates/ group companies are prohibited from using this report other than for its sole limited purpose and not to make a copy of this report available to any party other than those required by statute for carrying out the limited purpose of this report.

We have not verified the authenticity of the actual purpose for obtaining this valuation report and have done a pure mathematical calculation based on the information provided to us by the management of the Company. This report is issued at the request of BOD for the purpose as mentioned in the first Para of this report.



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We will receive a fee for our services in connection with the delivery of this Valuation Report from and our fee is not contingent upon the result of proposed transaction and suitability of valuation to the company and other stakeholders.

This report is not meant for meeting any other regulatory or disclosure requirements, save and except as specified as above, under any Indian or Foreign Law, Statute, Act, Guidelines or similar instructions. We would not be responsible for any litigation or other actual or threatened claims.

This report can be used and relied upon by A9I Emerging Fund II LLP, the subscriber to the Shares. In no event, will valuer and its employees, be liable to any party for any indirect, incidental, consequential, special or exemplary damages (even if such party has been advised of the possibility of such damages) arising from any provision of this engagement.



SUBODH KUMAR
(Registered Valuer)
IBBI Regn- IBBI/RV/05/2019/11705

DISCOUNTED CASH FLOW ANALYSIS – Free Cash Flow Calculation

(E) Estimated, Figures in INR Crores

Particulars	FY 2022-23 (4 months) (E)	FY 2023-24 (E)	FY 2024-25 (E)	FY 2025-26 (E)	FY 2026-27 (E)
Profit After Tax (PAT)	-4.33	1.03	34.85	65.99	119.39
Add: Depreciation and amortization	5.53	10.36	16.19	21.75	23.92
Less: Capital Expenditure	35.77	68.07	87.47	56.67	43.34
Less: Increase in Working Capital	-11.07	22.60	34.56	39.80	-23.11
Add: Increase in Borrowings	-0.26	-10.29	-6.97	2.35	1.90
Free cash flow to the Share (FCFE)	-23.76	-89.57	-77.96	-6.38	124.99
Discount factor	0.9476	0.8062	0.6860	0.5837	0.4966
Discounting Period	0.33	1.33	2.33	3.33	4.33
Present value of FCFE	-22.51	-72.22	-53.48	-3.72	62.07



Share Valuation Calculation:-

Figures in INR Crores except no of shares

Particulars	Amt
Present value of FCFE	-89.86
Terminal Value	520.15
Enterprise Value	430.29
Add: Cash and Cash Equivalents as on 30 th November, 2022	3.01
Share Value	433.29
Less: Discount on lack of marketability @ 10%	43.33
Adjusted Share Value	389.96
No. of Outstanding Share on fully diluted basis	34,002
Fair Market Value per Share (Amount in INR)	1,14,688.77
Fair Market Value per Share (Amount in INR) Round off	1,14,689.00



Cost of Capital and Weightage Cost of Capital Calculation:-

Cost of equity	Assumption
Risk Free Rate	Yield to maturity on Government Securities based on current traded value.
Beta	The levered (equity) Beta of a scrip is a measure of relative risk to market, arithmetically computed as covariance of equity and market return divided by variance of market return (over a long historical data run) followed with certain adjustments.
Equity Risk Premium	= Beta * (Market Risk Premium) Market Risk Premium is equal to the difference of average market return and risk free rate
Cost of Equity	= Risk Free Rate + (Equity Risk Premium * Beta) + Company specific risk premium (α)
Estimated Corporate Tax Rate	Current corporate tax rate
Comp's Pre-Tax Cost of Debt	Cost of debt provided by the Management
Comp's After-Tax Cost of Debt	Pre-Tax Cost of Debt * (1 - Tax Rate)
Target Debt-equity ratio	Debt-equity ratio of the Company
Weighted Average Cost of Capital ("WACC")	(Debt/Total Capital) * (After-Tax Cost of Debt) + (Equity/Total Capital) * (Cost of Equity)

(i) Calculation of cost of equity	
Risk free rate (Rf)	7.28%
Leveraged Beta	1.00
Market risk premium (Rm-Rf)	7.25%
Company specific risk premium (α)	3.00%
Cost of equity	17.53%

Terminal Value = $\frac{\text{Present value of Free Cash flow (for last year of explicit period)} * (1 + G)}{(\text{Discount Factor} - G)}$

Where,

Discount Factor = Weighted Average Cost of Capital, and;

G = Estimate of average long term growth rate of cash flows in perpetuity assumed to be 5%.



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Valuation Report

Of

Equity Shares

Of

SUCHALIS CONFECTIONERY PRIVATE LIMITED AS AT 30TH NOVEMBER, 2022

Prepared by:

SUBODH KUMAR

(IBBI REGISTERED VALUER)

Registration No: IBBI/RV/05/2019/11705

Contact Details

Office:

210, 2nd floor Wadhwa Complex,
Street No-10, Laxmi Nagar New Delhi-110092

Date: 17th December, 2022



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Date: 17th December, 2022

To
The Board of Director
Suchalis Confectionery Private Limited
Plot No-321, Udyog Vihar Phase-2, Sector-20 Gurgaon Gurgaon Hr 122016

Dear Sir,

Subject:-Report on Valuation of Fair Value of Equity Shares/Convertible Securities.

I, Subodh Kumar, having a Registered office at 210, 2nd floor Wadhwa Complex, street No-10, Laxmi Nagar New Delhi-110092, Registered Valuer under the Companies Act, 2013 and having its IBBI Regn. No. IBBI/RV/05/2019/11705 (hereinafter referred to as ("Registered Valuer")) has been mandate by the Board of Directors on behalf of the Company, Suchalis Confectionery Private Limited, a Company incorporated under the provisions of the Companies Act, 2013 and having its registered office at Plot No-321, Udyog Vihar Phase-2, Sector-20 Gurgaon Gurgaon Hr 122016 (hereinafter referred to as "Private Limited Company") for valuation of its Equity Shares for the purpose of proposed issuance of Equity Shares/Convertible Securities (hereinafter referred to as "Proposed Investors") in accordance with the requirement of Sections 42 & 62(1)(c) of the Companies Act, 2013.

The scope of services is to conduct the valuation of Equity Shares to determine the fair value in accordance with internationally accepted valuation standards/ICMAI Valuation Standards for the limited purpose of compliance under the Companies Act, 2013 and may not be used for any other purpose. Even though the Fair value proposed here is said to true and fair as per underlying guidelines of valuation but the valuation done here is not in accordance with rule 11UA of Income tax rules and it may be relied upon in any such Income tax matters with required modification as per said rules.

Based on the Discussion with the management, we have considered the valuation cut- off date as closure of business hours of 30th November, 2022.

Scope of the Report:

Our scope of services under this letter is restricted to the services specified in scope of work as above and does not cover any other services including, illustratively, the following:

- Legal advice, opinion and representation in any form;
- Accounting and taxation matters, opinion and representation in any form;



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• Any other certification services. Reliance would be placed on the information that may be provided by the Company. We will not independently verify the accuracy of data provided to us for review. The valuation in the present case involves valuation of Equity Share of the Company is not envisaged pursuant to the Scheme. Therefore, this valuation is performed on a limited scope basis.

Company Background information:

Suchalis Confectionery Private Limited ("SCPL" / "Company") established in 2018 vide Corporate Identification Number is (CIN) U15490HR2018PTC076091 in Haryana.

The registered office of the SCPL is situated at Plot No-321, Udyog Vihar Phase-2, Sector-20 Gurgaon Hr 122016.

The Share Capital and holding structure of the Company, on a fully diluted basis, as on 30th November, 2022 is as under:

Particulars	Amount in INR
Paid up Share Capital 10,150 Equity Share of INR 10 each	1,01,500

Also, there are 639 ESOPs which are assumed to be convertible into 639 Equity Share of INR 10 each.

Sources of Information:

For the purpose of arriving at the Valuation, we have essentially relied on the information provided to us by the Management of the Company which we believe to be reliable and our conclusions are dependent on such information being complete and accurate in all material respect.

Our valuation exercise is based on the following information received from the Management:

- Extract of Provisional financial statements for the period ending November 30, 2022.
- Extract of Projections of the Company comprising of Balance Sheet, Profitability statements for FY 2022-23 to FY 2026-27 as provided to us by the Management to this report.
- Discussions with the Management on various issues relevant for the valuation including the prospects and outlook of the Company / industry, expected growth rate and other relevant information relating to future expected profitability of the business, etc.
- Such other information and explanations as we have required and which have been provided by the Management.

For the purpose of our value analysis, we have used the following information that is available in public domain



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For the purpose of determining Risk free rate, yield on 10 years Government of India Securities/Papers (10 Year GS) has been considered.

(Source: RBI Monthly Bulletin- November, 2022).

For calculation of Market Return, we have considered the Compounded Annual Growth Rate (CAGR) of BSE Sensex 500 for the period starting from 1st February, 1999 to 30th November, 2022.

(Source: BSE Website)

- We have considered global beta of 1.00.
- Company specific premium of 3% has been considered.

Procedure adopted and valuation method(s) followed for the assignment:**I. Approach Considered in our Value Analysis:****General Principle for Valuation**

There is no single definition of the term 'Value' that is suitable for all purposes or at all times. The value of a particular asset may vary according to different valuation methodologies that are adopted to ascertain the value for a specific purpose. Valuation of securities is an inexact science. It may sometimes involve a set of judgments and assumptions that may be subject to certain uncertainties.

Selection of Valuation Methodology

The objective of the valuation process is to make a best reasonable judgment of the value of the shares of the Company. There are a number of valuation methodologies to value companies / businesses using historical and forecast financials of the company. Commonly used valuation methodologies are as follows:

✦ Net Asset Value (NAV) Method

The asset based valuation technique is based on the value of the underlying net assets of the business, either on book value basis or realizable value basis or on replacement cost basis. The net asset value ignores the future returns the asset can produce and is calculated using historical accounting data. This valuation approach is mainly used in the case where the business is to be liquidated i.e. it does not meet the going concern criteria or in case where the assets base dominate earnings capability. It is a growing company and its substantial value lies in the future earnings. Therefore, in the present case, we have not used NAV Method for the valuation.



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✦ **Discounted Cash Flow (DCF) Method**

Under DCF Method, the projected free cash flows of the Company/ business are discounted at a discount rate which reflects perceived riskiness of the projected cash flows in order to arrive at their present value. Then, the terminal value of the Company/ business is calculated based on the free cash flow of the last year of the forecast period, which is based on the future long term growth of the revenues. This terminal value is then discounted to get the present terminal value. The present value of free cash flows for the projected period and present value of terminal value is added to arrive at the enterprise value. Thereafter, adjustment for non-operating assets/liabilities, surplus Cash and Cash Equivalents is made to arrive at the fair value of the Company/business.

✦ **Market Price Method**

The market price of equity share quoted on a stock exchange is normally considered as the value of equity share of the Company, if such shares are frequently traded subject to speculative support that may be inbuilt in the value of such shares. Equity Shares of not traded on any stock exchanges and therefore, Market Price Method is not relevant for the present valuation exercise. Hence, we have not considered this method for the valuation.

✦ **Comparable Company Multiples (CCM) Method**

Under CCM Method, value of equity shares of a company/business undertaking is arrived at using multiple derived from valuation of comparable companies as manifest through stock exchange valuation of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to the valuation. Relevant multiples need to be chosen carefully and adjusted for difference between the circumstances.

Based on the financial projections shared by the management, we are of the view that, the Company is proposing to invest Huge amount for expansion of business in next few years, which will have substantial positive effect on its revenue as well as profitability and market capitalization. We have not found any listed peers which can be compared with other company for considering its projected business model in coming few years due to nature of business, geographical differences and comparable size of the business at valuation date. Therefore, this method is not suitable in the present case and accordingly we have not considered this method for our valuation exercise.



Private and Confidential**II. Basis for arriving at Fair Value of Equity Shares:**

Based on the discussions in the preceding paragraphs w.r.t valuation methodologies as well as regulatory requirements, we have considered DCF Method for the evaluation of Equity Shares of considering it as most appropriate method in the present case and assigned 100% weightage to this approach.

Under DCF Method, the value of per equity shares is based on its capacity to generate cash flows. There is some uncertainty associated with these cash flows. Thus, the challenge in valuing firms by using the DCF method is more perceptual than conceptual. The Value of per equity shares is **INR 47,272.00/- (Rupees Forty Seven Thousands Two Hundred Seventy Two Only)** based on the present value of the expected cash flows from its assets. These future cash flows are estimates based on certain parameters which are subject to various assumptions.

The Fair Value of Diluted Equity Shares of INR 47,272.00/- (Rupees Forty Seven Thousands Two Hundred Seventy Two Only) per Equity Share of INR 10 each as per Discounted Cash Flow Method is as under:

(E) Estimated, Figures in INR Lakhs except no of shares

PARTICULAR	2023- 4 MNTH	2024	2025	2026	2027
PROFIT AFTER TAX	111.77	413.79	859.03	1,585.76	2,408.14
ADD: DEPRECIATION	12.91	34.41	66.75	86.74	103.73
LESS: CAPITAL EXPENDITURE	25.35	250.00	200.00	200.00	200.00
LESS: INCREMENT IN WORKING CAPITAL	111.21	219.21	482.36	678.27	955.92
ADD: INCREASE IN BORROWINGS	-52.59	0.00	0.00	0.00	0.00
ADD: PROVISIONS	-	-	-	-	-
FREE CASH FLOW TO EQUITY	-64.48	-21.00	243.42	794.22	1,355.95
DISCOUNTING PERIOD	0.33	1.33	2.33	3.33	4.33
DISCOUNTING FACTOR	0.9476	0.8062	0.6860	0.5837	0.4966
PRESENT VALUES	-61.10	-16.93	166.98	463.57	673.39
SUM OF PRESENT VALUES	1,225.91				
ADD: TERMINAL VALUES	4,773.52				
ENTERPRISE VALUE	5,999.42				
ADD: CASH	0.73				
EQUIY VALUES	6,000.15				
LESS: NON MOBILITY DISCOUNT	900.02				
ADJ EQUITY VALUES	5,100.13				
No. of shares	10,789				
FAIR VALUE PER EQUITY SHARE	47272				

III. Valuation of equity shares

We have formed an opinion on the Fair Value of Equity Shares of **INR 47,272.00/- (Rupees Forty Seven Thousands Two Hundred Seventy Two Only) per Equity Share of INR 10 each**, based on the information provided by the Management of the Company and our opinion is on Valuation Date.



Private and Confidential

The valuation is subject to the information as made available to us by the management of the Company and no specific audit has been carried on the same.

Disclaimer/Limitations on the Valuation of Equity Shares

Our report is subject to the scope of limitations detailed hereinafter. As such the report is to be read in totality and not in parts. This report has been prepared solely for the purpose set out in this report and should not be made available to any other person, distributed, published or reproduced (in part or otherwise) in any other document whatsoever, without our written consent save and except for the limited purpose of this report.

Our study did not include the following:-

- Any audit of the financial statements supplied by management and available at MCA site. Carrying out a market survey / technical and financial feasibility for the Business of.
- Financial and Legal due diligence of
- Any other assurance advisory services in connection with the cash flow and valuation.

Our valuation is based on the premise that the information provided to us being complete and accurate in all material aspect.

Our value analysis is based on the information made available to us by the management of the Company and the information obtained by us from public domain as mentioned in the report. Any subsequent changes/modifications/revisions (either positive or negative) to the financial parameters and other information provided to us, may alter the result of value analysis set out in this report, positively or negatively.

Our work did not constitute an audit in accordance with Indian GAAP/ International Financial Reporting Standards and all other applicable accounting practices and procedures and examination/review of internal controls or other attestation or review services. Accordingly, we do not express an opinion on the information presented.

It may be noted that in carrying out our work we have relied on the integrity of the information provided to us by the management of the Company and other than reviewing the consistency of such information, we have not sought to carry out an independent verification, thereof.



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We have reviewed the information made available to us for overall consistency and have not carried out any detailed tests in the nature of audit to establish the accuracy of such statements and information. Accordingly, we assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided by management of the Company

We have not carried out any independent verification of the accuracy and completeness of all information as stated above. We have not reviewed any other documents of other than those stated above. We have not made any independent verification of the physical assets of and accept no responsibility for the same.

It should be noted that for the purpose of determining Fair Value of Equity Shares as on Valuation date, we have not considered the impact of any events on the valuation of which have occurred post the date of the valuation except mentioned in this report.

Our scope of work does not include verification of data submitted by the management of the Company and has been relied upon by us as such.

We understand that the management of the Company during our discussions with them, would have drawn our attention to all such information and matters, which may have had an impact on our valuation. In this report we have included all such information and matters as was received by us from the management of the Company.

This valuation report should not be regarded as a recommendation to invest in or deal in any form of securities of the Company and should also not be considered as its final equity value.

The Management or related parties of the its Shareholders and its subsidiaries/ associates/ group companies are prohibited from using this report other than for its sole limited purpose and not to make a copy of this report available to any party other than those required by statute for carrying out the limited purpose of this report.

We have not verified the authenticity of the actual purpose for obtaining this valuation report and have done a pure mathematical calculation based on the information provided to us by the management of the Company. This report is issued at the request of BOD for the purpose as mentioned in the first Para of this report.



Private and Confidential

We will receive a fee for our services in connection with the delivery of this Valuation Report from and our fee is not contingent upon the result of proposed transaction and suitability of valuation to the company and other stakeholders.

This report is not meant for meeting any other regulatory or disclosure requirements, save and except as specified as above, under any Indian or Foreign Law, Statute, Act, Guidelines or similar instructions. We would not be responsible for any litigation or other actual or threatened claims.

In no event, will valuer and its employees, be liable to any party for any indirect, incidental, consequential, special or exemplary damages (even if such party has been advised of the possibility of such damages) arising from any provision of this engagement.



SUBODH KUMAR
(Registered Valuer)
IBBI Regn- IBBI/RV/05/2019/11705

Statutory Auditor's Certificate to confirm that the Accounting Treatment contained in the Scheme of Arrangement between Muhavra Enterprises Private Limited and Suchalis Confectionery Private Limited is in conformity with the accounting standards prescribed under section 133 of the Companies Act, 2013

To,
 The Board of Directors
 MUHAVRA ENTERPRISES PRIVATE LIMITED,
 D-173, Sushant Lok - I, Gurgaon-122002

1. This Certificate is issued in accordance with the terms of our engagement letter dated 1st February, 2023.
2. We, the statutory auditors of Muhavra Enterprises Private Limited ("**Transferee Company**"), have examined the proposed accounting treatment in the books of the Transferee Company, with regard to as specified in clause 19 under part B of the proposed Scheme of Arrangement ("**the Scheme**") between the Transferee Company and Suchalis Confectionery Private Limited ("**Transferor Company**") and their respective shareholders and creditors in terms of provisions of Section 230 to 232 read with the applicable provision of the Companies Act, 2013 (the "**Act**") with reference to its compliance with the applicable Companies (Accounting Standards) Rules, 2021 ("**AS**") as notified under section 133 of the Companies Act, 2013, ("**Applicable Accounting Standards**"); read with rules made thereunder and other Generally Accepted Accounting Principles in India.

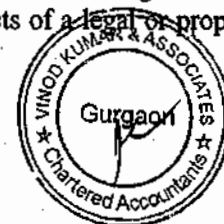
The Scheme has been approved by the Board of Directors of the Transferee Company at its meeting held on 20th December, 2022 and is subject to approval of National Company Law Tribunal ('NCLT') and statutory and regulatory authorities, as may be applicable.

Management's responsibility

3. The Board of Directors of the Transferee Company are responsible for the preparation of the Scheme and its compliance with the Act and other relevant laws and regulations, including the applicable accounting standards read with the rules made thereunder and other generally accepted accounting principles as aforesaid. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Scheme.

Auditor's Responsibility

4. Pursuant to the requirements prescribed under Section 232 of the Act, our responsibility is only to examine and assess whether the proposed accounting treatment in the books of the Transferee Company specified in in clause 19 under part B of the Scheme as reproduced in annexure-1 is in conformity with the applicable Accounting Standards and in line with the Generally Accepted Accounting Principles in India. Further our examination did not extend to any other parts and aspects of a legal or proprietary nature in the aforesaid Scheme.



Head Office:
 4696 Brij Bhawan
 21A Ansari Road
 Darya Ganj,
 New Delhi-110002, INDIA
 Tel : +91-11-2328-8101

Corporate Office:
 GLOBAL BUSINESS SQUARE
 Building No. 32, Sector 44,
 Institutional Area Gurgaon,
 122003, India
 Tel : +91-124-4786-200

Nehru Place:
 503, Chiranjiv Tower,
 43, Nehru Place
 New Delhi 110019, India
 +91-11-2622-3712,
 2622-6933

Mumbai:
 305-306, 3rd Floor,
 Garnet Palladium,
 Behind Express Zone,
 Off Western Express
 Highway, Goregaon (East),
 Mumbai - 400063

Karol Bagh:
 17A/55, Triveni Plaza,
 Gurudwara Road,
 Karol Bagh,
 New Delhi- 110005
 Tel : +91-11-4504-4453

Chandigarh:
 SCO-705, 1st Floor,
 NAC Manimajra
 Chandigarh-160101, India
 Tel : +91-172-507-7789,
 5077-790

5. We conducted our examination of the proposed accounting treatment in the books of the Transferee Company referred in paragraph 4 above in accordance with the Guidance Note on "Report or Certificate for Special Purposes" ("the Guidance Note") issued by the Institute of Chartered Accountants of India, in so far as applicable for the purpose of this certificate. The Guidance note requires that we comply with the ethical requirements of the code of ethics issued by the Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, "Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements".
7. Nothing contained in this certificate, nor anything said or done in the course of or in connection with the services that are subject to this certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Transferee Company.


Conclusion

8. Based on the examination, procedures performed as specified above and according to information and explanations received by us, pursuant to the requirements of proviso to sub-section (7) of section 230 of the Act, we confirm that the Accounting Treatment contained in the aforesaid Scheme is in compliance with the applicable accounting standards prescribed under section 133 of the Act and other Generally Accepted Accounting Principles in India.

Restriction on Use

9. The certificate is issued at the request of the Company pursuant to the requirements of Section 230 to section 232 of the Act for onward submission to the NCLT. Our examination relates to the matters specified in this certificate, and does not extend to the Transferee Company as a whole. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

For Vinod Kumar & Associates
Chartered Accountants
ICAI Firm registration number: 002304N


Mukesh Dandhich
Partner

Membership No: 511741
UDIN: 23511741BGTHFS9673
Place: New Delhi
Date: 10th February, 2023

Annexure-1**"19. ACCOUNTING TREATMENT**

- 19.01 Recognizing that the Amalgamation is to be considered as an "amalgamation in nature of merger" as defined by paragraph 29 of the Accounting Standard on "Accounting for Amalgamations" issued under the Companies (Accounting Standards) Rules, 2021 which has been notified through notification no. G.S.R. 432(E) dated 23rd June, 2021 on Accounting Standards, ("AS-14"), the accounting treatment in respect of assets, liabilities and reserves of the Transferor Company shall be governed, subject to the provisions of this paragraph, in accordance with what is described in AS-14 as "the Pooling of Interests Method". Accordingly, all the assets and liabilities of the Transferor Company shall be recorded at their respective book values in the books of the Transferee Company.
- 19.02 As on the Appointed Date, the reserves, surplus and balance in profit & loss account of the Transferor Company will be merged with the respective reserves, surplus and balance in profit & loss account of the Transferee Company in the same form as they appeared in the financial statements of the Transferor Company.
- 19.03 The difference between the amount recorded as share capital issued (plus any additional consideration in the form of cash or other assets) and the amount of share capital of the Transferor Company shall be adjusted in reserves.
- 19.04 If, at the time of the Amalgamation, the Transferor Company and the Transferee Company have conflicting accounting policies, a uniform set of accounting policies should be adopted following the Amalgamation. The effects on the financial statements of any changes in accounting policies should be reported in accordance with Accounting Standard (AS) 5 'Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies'."





SCO 823-824, 1st Floor, Sec-22A, Chandigarh
P: 0172-4644607, E: rgachd@gmail.com, W: rgaca.org

Independent Auditor's Certificate on the proposed accounting treatment contained in the Scheme of Amalgamation

To,
The Board of Directors
Suchalis Confectionery Private Limited
Plot No. 321, Udyog Vihar Phase-2,
Sector-20, Gurgaon - 122016

1. This certificate is issued in accordance with the terms of the Draft Amalgamation Framework Agreement (the "AMA") dated January 11, 2023 with Muhavra Enterprises Private limited (hereinafter referred to as "the Company" or the "Transferee Company").
2. At the request of the management of your company, we have examined the proposed accounting treatment specified in clause 19 of the Scheme of amalgamation of Suchalis Confectionery Private Limited (hereinafter referred as the "Transferor Company") with the company and their respective shareholders (hereinafter referred to as "the scheme") in terms of the provisions with sections 230 to 232 of Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards specified under Section 133 of the Act, read with the Rule 7 of the Companies (Accounts) Rules, 2014 and other generally Accepted Accounting Principles.

Management's Responsibility

3. The Responsibility for the preparation of the Scheme and its compliance with the relevant laws and regulation, including the application of Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved in the scheme. 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 estimates that are reasonable in the circumstances.



SCO 823-824, 1st Floor, Sec-22A, Chandigarh
 P: 0172-4644607, E: rgachd@gmail.com, W: rgaca.org

Auditor's Responsibility

4. Pursuant to the requirements of the Act, our responsibility is to express reasonable assurance in the form of an opinion based on our examination and according to information and explanations given to us as to whether the proposed accounting treatment contained in Clause 19 of the scheme is in compliance with Section 230 to 232 of the Companies Act, 2013 between the companies and shall follow the method of accounting as prescribed for the Pooling of interest method under Accounting Standard 14 as notified under the Companies (Accounting Standards) Rules, r.w. Section 133 of Companies Act, 2013.
5. We performed procedures in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. A reasonable assurance engagement includes performing procedures to obtain sufficient appropriate evidence on the reporting criteria. Accordingly, we have performed the following procedures in relation to the Certificate:
 - Obtained the Scheme as provided by the Company.
 - Read the proposed accounting treatment as specified in clause 19 of the scheme.
 - Validate the proposed accounting treatment as specified in Clause 19 of the Scheme with accounting treatment as prescribed under Accounting Standard 14 as notified under the Companies (Accounting Standards) Rules, 2006 is in conformity with the accounting standards prescribed under Section 133 of Companies Act, 2013.

Our examination did not extend to any aspects of a legal or propriety nature covered in the Scheme. Further, our scope of work did not involve us performing any audit tests in the context of our examination. We have not performed an audit, the objective of which would be to express an opinion on the specified elements, accounts or items thereof, for the purpose of this certificate. Accordingly, we do not express such opinion. Nothing contained in this certificate, nor anything said or done during, or in connection with the services that are subject to this certificate, will extend any duty of care that we may have in our capacity as the statutory auditors of any financial statements of your company.



**Rajiv Goel
& Associates**
CHARTERED ACCOUNTANTS

SCO 823-824, 1st Floor, Sec-22A, Chandigarh
P: 0172-4644607, E: rgachd@gmail.com, W: rgaca.org

Opinion

8. Based on the procedures performed by us as described in paragraph 7 above and according to the information and explanations given to us, in our opinion, the proposed accounting treatment specified in clause 19 of the scheme, as such, is in compliance with Accounting Standard 14 as notified under the Companies (Accounting Standards) Rules, 2006 r.w. Section 133 of Companies Act, 2013.

Restriction on Use

9. The certificate is addressed to and provided to the Board of Directors of your company solely for the purpose of onward submission to Hon'ble National Company Law Tribunal. Accordingly, we do not accept or assume any liability or any duty of care for any purpose or to any other person to whom this certificate is shown or into whose hands it may come without intimating to us.

For Rajiv Goel & Associates

Chartered Accountants

FRN: 011106N

DHRUV Digitally signed
by DHRUV GOEL
GOEL Date: 2023.02.10
17:06:57 +05'30'

CA. Dhruv Goel

Partner

M.No.549569

UDIN: 23549569BGPNEB9904

Date: 10.02.2023

Place: Chandigarh