

REDTAPE LIMITED

Regd. Office: Plot No.-08, Sector -90, Noida, Uttar Pradesh-201301

CIN: U52609UP2021PLC156659

Email: shuja@redtapeindia.com; **Phone No.:** 011-40959500

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the First Annual Report and the Company's audited financial statement for the period from 8 December 2021 (date of incorporation) till the financial year ended on 31 March 2022.

FINANCIAL RESULTS:

The Company's standalone financial performance, for the period starting from 8 December 2021 till 31 March 2022 is summarised below:

Particulars	(Amount in Rs.)
Income	-
Profit/(Loss) before tax	(41800)
Less: Provision for Income Tax	-
Profit/(Loss) after tax	(41800)
Balance brought forward from last year	-
Net Surplus/ (Deficit) Carried to Balance Sheet	(41800)

STATE OF COMPANY AFFAIRS

- A. The Company was incorporated as a wholly owned subsidiary of Mirza International Limited in India on 8 December 2022 as a public limited Company under the Companies Act, 2013. However, the Company has yet to commence business activities.
- B. During the period under review, the Board of Directors of the Company, in its meeting held on 10 December, 2021 had approved Composite Scheme of arrangement of RTS Fashions Private Limited, Mirza International Limited, Redtape Limited and their respective shareholders and creditors under sections 230 to 232 of the companies act, 2013 read with section 66 of the companies act 2013 and other applicable provisions, if any. The Scheme provides for (a) Amalgamation of RTS Fashions Private Limited (the Transferor Company) with Mirza International Limited (the Transferee Company); and (b) De-merger of the Branded Business/REDTAPE Business (the Demerged Business) of Mirza International Limited (the Transferee Company/the Demerged Company) into Redtape Limited (the Resulting Company), on a going concern basis from the Appointed Date. On the scheme coming into effect, and from the Appointed Date, the Company shall be deemed to continue with the business of the Branded Business/REDTAPE Business (as more precisely defined in the Proposed Scheme). The Appointed Date for the Scheme is 1st January 2022 or such other date as may be directed by the Hon'ble National Company Law Tribunal ("NCLT"). The Scheme has been approved by BSE Limited and National Stock Exchange of India Limited. However, the Scheme is subject to necessary regulation, approvals and sanction by Hon'ble National Company Law Tribunal.
- C. Post the implementation of the scheme as stated above "Branded Business/REDTAPE Business" of Mirza International Limited will be vested into the Company as on Appointed Date for the scheme i.e. 1 January, 2022 or such other date as directed by the Hon'ble National Company Law Tribunal.

CHANGE IN NATURE OF BUSINESS

During the period under review, there were no changes in nature of business of the Company.

PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANY

The Company is the wholly owned subsidiary of Mirza International Limited as 100% shares of the Company are held by Mirza International Limited and its Nominees.

During the period, Mirza International Limited (the Holding Company) has prepared Consolidated Financial Statement in compliance with the applicable accounting standards for the period under review and will file the same with the Registrar of Companies in terms of the requirements under the provision of relevant law.

DIVIDEND

The Company has not commenced the business since its incorporation and there is no profit in the Company for the period ended 31 March, 2022 therefore, the Directors do not recommend any dividend for the Financial Year ended on 31 March, 2022.

DEPOSITS

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and as such no amount of principal or interest was outstanding as on the Balance Sheet date.

AUDITOR AND AUDITOR REPORT

Statutory Auditors

M/s. Gulati Sandeep & Co., Chartered Accountants, was appointed as first auditor of the Company for the FY 2021-22 in the Board meeting held on 8 December 2021 to hold office till the conclusion of the first Annual General Meeting of the Company. The Company has obtained the written confirmation from M/s. Gulati Sandeep & Co., Chartered Accountants, confirming that they are eligible for appointment as Statutory Auditors of the Company under Section 139 of the Companies Act, 2013 and meet the criteria for appointment specified under Section 141 of the Companies Act, 2013.

The Board of Directors recommended the appointment of M/s. Gulati Sandeep & Co., Chartered Accountants, having Firm's Registration No. 008694N as the Company's Statutory Auditors from the conclusion of the first Annual General Meeting till the conclusion of the sixth Annual General Meeting of the Company for approval of members at the ensuing Annual General Meeting of the Company.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and therefore do not require any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

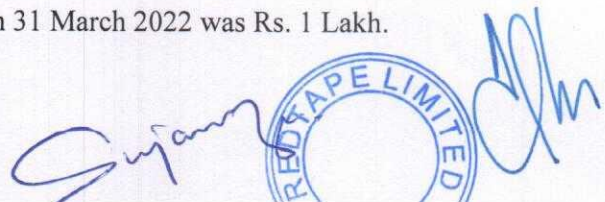
ANNUAL RETURN

The Company is not having its own website therefore the provisions contained in Section 92(3) read with the Rule 12 of the Companies (Management and Administration) Amendment Rules, 2020 and Section 134(3)(a) are not applicable.

SHARE CAPITAL

The paid-up Equity Share Capital of the Company as on 31 March 2022 was Rs. 1 Lakh.

NUMBER OF BOARD MEETINGS

A handwritten signature in blue ink is written over a circular blue stamp. The stamp contains the text 'REDTAPE LIMITED' around its perimeter. The signature appears to be 'Sujana'.

During the period under review, Four Board Meetings were convened and held i.e. on 8 December, 2021, 9 December, 2021, 10 December, 2021 and 7 February, 2022.

DISCLOSURE UNDER SECRETARIAL STANDARD

The Directors state that the Company is complying with all the applicable Secretarial Standards on meetings of the Board of Directors.

INTERNAL FINANCIAL CONTROL

The Company has in place adequate internal control systems which commensurate with its size and nature of business and complexity of its operations and are designed to provide a reasonable degree of assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguard for assets, internal control over financial reporting, and compliance with applicable laws and regulations.

Internal audit function evaluates the adequacy of, and compliance with policies, plans, regulatory and statutory requirements.

MATERIAL CHANGES AND COMMITMENT

No material changes or commitments have occurred after the close of the Financial Year 2021-22 till the date of this Report, which affect the financial position of the Company.

RISK MANAGEMENT

The Company has adopted the measures concerning the development and implementation of a Risk Management Policy in terms of Section 134(3)(n) of the Companies Act, 2013, after identifying the elements of risks which in the opinion of the Board may threaten the very existence of the Company itself.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors in terms of Section 134(3)(c) of the Companies Act, 2013 state that:

- a) in the preparation of the annual accounts for the period ended 31 March 2022, the applicable accounting standards read with requirements set out under Schedule III to the Act, had been followed and there are no material departures from the same;
- b) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March 2022 and of the profit and loss of the Company for the period ended on that date;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual accounts on a 'going concern' basis; and
- e) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loans or guarantees or made any investment covered under Section 186 of the Companies Act, 2013 and rules made thereunder.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Rashid Ahmed Mirza, Mr. Shuja Mirza and Mr. Arvind Verma were appointed as first Directors of the Company in the Board meeting held on 8 December 2021, pursuant to Section 152 of the Companies Act, 2013 read with provisions under the Articles of Association of the Company. They hold office upto the conclusion of first Annual General Meeting of the Company, in terms of resolution passed by the Board of Directors in their meeting held on 8 December 2021. In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, the Board recommended appointment of Mr. Rashid Ahmed Mirza, Mr. Shuja Mirza and Mr. Arvind Verma as Directors, subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company.

During the year under review, Mr. Sanjay Bhalla was appointed as Additional Directors on 10 December, 2021. He holds office upto the conclusion of ensuing Annual General Meeting (AGM) of the Company and is due for appointment as Non-executive Director for his term. The Notice of the AGM proposes resolution for appointment of aforesaid Additional Director as Non-executive Director on the Board of Directors of the Company.

Further, provisions of Section 203 of the Companies Act, 2013 with respect to Key Managerial Personnel (KMP) is not applicable to the Company.

PARTICULARS OF EMPLOYEES

Being an Unlisted Company, provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

There were no contracts or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the period under review. Thus, disclosure in Form AOC-2 is not required.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The provisions of Section 134(3)(m) read with Companies (Accounts) Rules, 2014 of the Companies Act, 2013 do not apply to our Company, as the Company is not carrying Manufacturing, Trading or any other Industrial activity, since incorporation. There was no foreign exchange inflow or Outflow during the period under review.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the period under review:

1. The Company is neither a listed Company nor provisions of Section 149(4) and Rules made thereunder for an appointment of Independent Director is applicable to the Company.
2. Your Company has not accepted any fixed deposits within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.
3. Not Issued equity shares with differential rights as to dividend, voting or otherwise or Issue of shares (including sweat equity shares) to employees of the Company under any scheme or Issue of employees' stock option to employees of the Company under any scheme under the Companies (Share Capital and Debentures) Rules, 2014.
4. No significant or material orders were passed by the regulators or Courts, or which impacts the going concern status and company's operations in future.
5. No amount has been transferred to any of the reserves.
6. The provisions of section 135 of the Companies Act, 2013 (Corporate Social Responsibility) does not apply to our Company for the period under review.



7. The provisions of section 178 of the Companies Act, 2013 (Nomination and Remuneration Policy) does not apply to our Company for the period under review.
8. Provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are not applicable.
9. The Company was not required to obtain the Secretarial Audit Report pursuant to Section 204 of the Companies Act, 2013
10. The Company was not required to appoint Cost Auditor pursuant to Section 148 of the Companies Act, 2013.
11. Neither any application is made nor any proceeding is pending against the Company under the Insolvency and Bankruptcy Code, 2016.
12. The Company has not defaulted in the repayment of loans to the Banks or Financial Institutions. Accordingly, disclosure relating to one-time settlement with the Banks or Financial Institutions is not required.

ACKNOWLEDGEMENT

Your Directors place on record their deep appreciation for the valuable support and cooperation received from various stakeholders during the period under review.

For and on behalf of the Board of Directors of
REDTAPE Limited



Shuja Mirza
Director
DIN: 01453110

Arvind Verma
Director
DIN: 09429834

Place: Noida
Date: 25 May 2022



Ref. No. : GS/Redtape/FAR/2022-23/1

Dated. 25/05/2022

Independent Auditor's Report

To the Members of
Redtape Limited

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **Redtape Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2022, the Statement of Profit and Loss and the Statement of Cash Flow for the period then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (referred to as "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 31st March, 2022, its loss and its cash flow for the period 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 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 made 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.

Key Audit Matters

The Board of Directors of the Company in its meeting held on 10th December, 2021, has considered and approved a Composite Scheme of Arrangement of RTS Fashions Pvt Ltd, Mirza International Ltd (Holding Company of Redtape Limited) and Redtape Ltd; and their respective Shareholders and Creditors under the provisions of Sections 230 & 232 of the Companies Act, 2013, read with Section 66 of the Companies Act, 2013, and other applicable provisions. The same has described in brief under note 1 of Financial Statement.

Other Matters

The comparative financial statement is not applicable to the company as the company was incorporated on 8th December, 2021.



Information Other than the Financial Statements and Auditors Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report and the Annexures to the Board'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 the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our 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.

Responsibilities of Management and those charged with Governance 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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India,

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 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 Responsibilities 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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement 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. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the 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 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 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 presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 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 accounts 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, Statement of Changes in Equity and its cash flow statement 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 Ind AS specified under Section 133 of the Act;
 - e. On the basis of written representation 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. With respect to the adequacy of the Internal Financial Controls over Financial Reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
 - 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 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 on its financial position in its financial statements, if any;
 - ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses, if any;



- iii. There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

For Gulati Sandeep & Co
Chartered Accountants
FRN: 008694N



Sandeep Gulati
Partner
M. No. 087455



Place: Delhi
Dated: 25.05.2022

UDIN.: 22087455AJWTPZ1693

The Annexure A referred to in paragraph 1 of Our Report of even date to the members of Redtape Limited on the accounts of the Company for the period ended 31st March, 2022

On the basis of such checks, as, we considered appropriate, and, according to the information and explanations given to us during the course of our audit, we report that:

1. Since there is no any Property, plant and equipment held by the company during the respective financial year, no comment is required to be made in respect of the matter specified in clause 3(iii) of the order.
2. (a) Since there is no any Inventory held by the company during the respective financial year, no comment is required to be made in respect of the matter specified in clause 3(iii) of the order.
3. Since the company has not granted any loans to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, no comment is required to be made in respect of the matters specified in clause 3(iii) of the said order.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans, investment, guarantees and security, wherever applicable.
5. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public during the year. Hence, no comment is required to be made in respect of the matters specified in paragraph 3(v) of the Order.
6. In our opinion and according to the information and explanations given to us, specified accounts and records as prescribed by the Central Government in terms of sub-section (1) of section 148 of the Companies Act, 2013 have not been applicable to company.
7. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including Provident Fund, Employees' State



Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) According to the records of the company, no undisputed amount payable in respect of statutory dues including provident fund, employees' state insurance, income-tax, Goods and Service Tax, Customs Duty, 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 became payable.

(c) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales tax, service tax, value added tax, customs duty and excise duty which have not been deposited on account of a dispute.

8. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable
9. In our opinion, and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer, further public offer or term loans during the period under audit and as such no comment is required to be made in respect of the matters specified in clause 3 (ix) of the said order.
10. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have, neither, come across any instance of fraud by the Company, or, any fraud on the company by its officers or employees, noticed or reported during the year, nor, have we been informed of such case by the management.
11. The provisions of Section 197 read with Schedule V to the Act are applicable only to public companies and have been duly complied.
12. The Company is not a Nidhi Company. Therefore, the provision of clause 3(xii) is not applicable to the Company.



13. In our opinion and according to the information and explanation given to us, the company has complied with section 177 and 188 of the Act in respect of the transactions with related parties and details of the same are disclosed under Note of the financial statements.
14. In our opinion and according to the information and explanation given to us, the provision of section 138 of the Act related to Internal Audit not applicable to the company, no comment is required to be made in respect of the matters specified in clause 3 (xiv) of the said order.
15. 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.
16. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
17. The Company has not incurred cash losses in the current financial year.
18. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable



19. According to the information and explanations given to us and 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, 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 that the 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.

20. In our opinion and according to the information and explanations given to us, there is no applicability of Section 135 of the Act. Accordingly, clauses 3(xx) of the Order are not applicable.

For Gulati Sandeep & Co
Chartered Accountants
FRN: 008694N



Sandeep Gulati
Partner
M. No. 087455



Place: Delhi
Dated: 25.05.2022

UDIN.: 22087455AJWTPZ1693

Annexure B [Referred to in paragraph 2(f) of the report issued under the Companies (Auditor's Report) Order 2020 report of even date to the members of Redtape Limited for the period ended 31st March, 2022]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Redtape Limited** ("the company") as of March 31, 2022, in conjunction with our audit of the financial statements of the company for the period ended on that date.

Management's Responsibility for Internal Financial Controls

The company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under "the Act".

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of "the Act", to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these financial statements.



Meaning of Internal Financial Controls Over Financial Reporting with reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has maintained, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Gulati Sandeep & Co
Chartered Accountants
FRN: 008694N

Sandeep Gulati
Partner
M. No. 087455



Place: Delhi
Dated: 25.05.2022

UDIN.: 22087455AJWTPZ1693

REDTAPE LIMITED
CIN:U52609UP2021PLC156659
BALANCE SHEET AS AT 31ST MARCH 2022

		(Amount in Rs.)
Particulars	Note No.	As at 31 st March 2022
ASSETS		
Non-Current Assets		
Property, Plant and Equipment		-
Other Non Current Assets		-
		-
Current Assets		
Inventories		-
Cash and Cash equivalents	2	63,200
Bank Balances other than above		-
Other Current Assets		-
		-
		63,200
TOTAL		63,200
EQUITY & LIABILITIES		
Equity		
Equity Share Capital	3	1,00,000
Other Equity		-
Reserve and Surplus		(41,800)
		58,200
Liabilities		
Non Current Liabilities		
Financial Liabilities		
Borrowings		-
Trade Payables		-
-Dues to Micro, Small & Medium Enterprises		-
-Dues to entities other than Micro, Small & Medium Enterprises		-
		-
Current Liabilities		
Financial Liabilities		
Other Financial Liabilities		-
Other Current Liabilities		-
Provisions- Short Term		5,000
		5,000
TOTAL		63,200
Significant Accounting Policies	1	


The accompanying notes are integral part of these financial statement

As per our report of even date attached

For and on behalf of

Gulati Sandeep & Co

Firm Registration Number: 008694N


Sandeep Gulati
Partner

Membership No. 087455

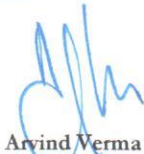
UDIN: 22087455AJWTPZ1693



for and on behalf of Redtape Limited



Shuja Mirza
Director
DIN: 01453110



Arvind Verma
Director
DIN: 09429834

Place: Noida

Dated: 25-05-2022

REDTAPE LIMITED
CIN:U52609UP2021PLC156659
STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED 31ST MARCH 2022

Particulars	Note No.	(Amount in Rs.) Period ended 31 st March 2022
INCOME		
Revenue from operations		-
Other income		-
Total Income		-
EXPENSES		
Purchase of Traded Stock		-
Change in Inventories of Finished Goods, Work-in-Progress, Stock-in-Trade		-
Other manufacturing, construction and operating expenses		-
Employee Benefits Expenses		-
Finance Costs		-
Depreciation and Amortization Expense		-
Other Expenses	4	41,800
Total Expenses		41,800
Profit/(Loss) before exceptional items and tax		(41,800)
Exceptional Items		
Profit/(Loss) before tax		
Tax Expense:		
Current Tax		-
Deferred Tax		-
Income Tax Expense		-
Profit/(Loss) for the year		(41,800)
Other Comprehensive Income		
Other Comprehensive Income to be reclassified to profit or loss in subsequent periods		
Other Comprehensive Income not to be reclassified to profit or loss in subsequent periods		
Other Comprehensive Income for the year, net of tax		-
Total Comprehensive Income for the Year		(41,800)
Earnings per equity share of Rs. 2 each		
(1) Basic		(0.84)
(2) Diluted		(0.84)

Significant Accounting Policies

1

The accompanying notes are integral part of these financial statement

As per our report of even date attached

For and on behalf of
Gulati Sandeep & Co
Firm Registration Number: 008694N

Sandeep Gulati
Partner

Membership No. 087455
UDIN: 22087455AJWTPZ1693



for and on behalf of Redtape Limited

Shuja Mirza

Shuja Mirza
Director
DIN: 01453110

Arvind Verma

Arvind Verma
Director
DIN: 09429834

Place: Noida
Dated: 25-05-2022

REDTAPE LIMITED
CIN:U52609UP2021PLC156659

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST MARCH 2022
EQUITY

(A) Equity Share Capital

Particulars	Nos.
Balance As At 31.03.2020	-
Equity share capital issued during the year	-
Balance As At 31.03.2021	-
Equity share capital issued during the year	50,000
Balance As At 31.03.2022	50,000

(Amount in Rs.)

(B) Other Equity

Reserves and surplus

Retained Earnings

As At 31.03.2022

Add: Premium on equity shares issued during the year

Profit/(Loss) for the Year

Other comprehensive for the year net of income tax

Less: Bonus Shares Issued

As At 31.03.2022

Add: Equity shares issued during the year

Profit/(Loss) for the Year

Other comprehensive for the year net of income tax

As At 31.03.2022

Significant Accounting Policies

1

As per our report of even date attached

For and on behalf of

Gulati Sandeep & Co

Firm Registration Number: 008694N

for and on behalf of Redtape Limited

Sandeep Gulati

Partner

Membership No. 087455

UDIN: 22087455AJWTPZ1693



Shuja Mirza

Director

DIN: 01453110

Arvind Verma

Director

DIN: 09429834

Place: Noida

Dated: 25-05-2022

REDTAPE LIMITED
CIN:U52609UP2021PLC156659

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2022

	Period ended 31st March 2022
(A) Cash flows from operating activities	
Profit/(Loss) for the year	(41,800)
Adjustments for:	
Depreciation	-
Operating profit before working capital changes	(41,800)
Adjustments for :	
(Increase) / decrease in inventories	-
Increase / (decrease) in trade payables	-
(Increase) / decrease in Other Current Assets	-
Increase / (decrease) in other current liabilities	5,000
Cash generated from operations	(36,800)
Income tax refund/ (paid)	-
Net Cash flow generated from operating activities	(36,800)
(B) Cash flow from investing activities	
Additions to PPE and intangible assets (including movement in CWIP)	-
Net cash flows (used in) investing activities	-
(C) Cash flow from financing activities	
Proceeds from issue of share capital	1,00,000
Net cash flows (used in)/ generated from financing activities	1,00,000
Net change in cash and cash equivalents (A+B+C)	63,200
Cash and cash equivalents- opening balance	-
Cash and cash equivalents- closing balance	63,200
Notes to cash flow statement:	
Cash and cash equivalents include :	
Cheques in hand	-
Cash in hand	-
Balances with banks:	63,200
Cash and cash equivalents at the end of the year (Refer Note 2)	63,200

As per our report of even date attached

For and on behalf of
Gulati Sandeep & Co
Firm Registration Number: 008694N


Sandeep Gulati
Partner
Membership No. 087455
UDIN: 22087455AJWTPZ1693



for and on behalf of Redtape Limited


Shuja Mirza
Director
DIN: 01453110


Arvind Verma
Director
DIN: 09429834

Place: Noida
Dated: 25-05-2022

Note 1 Significant Accounting Policies

(A) Period

These are the first financial statements of Redtape Limited ("the Company") for the period from 8th December 2021, being the date of incorporation of the Company to 31st March 2022.

(B) Corporate Information

Redtape Limited was incorporated on 8th December, 2021 vide Corporate Identification Number (CIN) U52609UP2021PLC156659 under the provisions of the Companies Act, 2013, to carry on business activities of design, development, trading, marketing and retailing of leather shoes, sports shoes, garments, apparels, accessories and other related activities. All the formalities relating to the incorporation of the Company and commencement of business as required under the Companies Act, 2013, have already been completed. However, the Company is yet to start commercial operations.

A Composite Scheme of Arrangement was proposed between RTS Fashions Pvt Ltd, Mirza International Ltd and Redtape Ltd. The aforesaid Scheme of Arrangement inter-alia provides for transfer and vesting of the entire Branded Business/REDTAPE Business of Mirza International Ltd into Redtape Ltd by way of de-merger. The appointed date of the Scheme is 1st January, 2022, or such other date as the Hon'ble National Company Law Tribunal or any other competent authority may approve. BSE and NSE have already approved the aforesaid Scheme of Arrangement. The Scheme is subject to requisite approvals of the Hon'ble National Company Law Tribunal and other competent authorities, if any.

(C) Statement of compliance

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

(D) Basis of Accounting

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the Accounting Standards as specified in the Companies (Accounting Standards) Rules, 2006, other pronouncements of the Institute of Chartered Accountants of India (ICAI), and the relevant provisions of the Companies Act, 2013.

These standalone financial statements have been prepared in Indian Rupee (₹) which is the functional currency of the Company.

(E) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reported period. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual result could differ from those estimates. Any revision to financial estimates is recognized prospectively in the financial statements when revised.

(F) Fixed Assets

Fixed assets of the company are valued at cost which include allocation / apportionment of direct and indirect expenses incurred in relation to such fixed assets. The said cost is not reduced by specific Grants/ subsidy received against the assets.

(G) Depreciation & Amortization

Depreciation on fixed assets including assets acquired on lease is provided on Straight Line Method at the rates and in the manner prescribed in the Companies Act, 2013.

(H) Borrowing Cost

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of cost of such assets. Borrowing costs comprise of interest and other costs incurred in connection with borrowing of funds.

(I) Revenue Recognition :

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. It includes sale of goods, export incentives etc. Revenue arising from the use by others of enterprises resources yielding interest, dividends, are recognized on the following basis :

- a) Interest income is recognized on time proportion basis taking in to account the amount outstanding and rate applicable.
- b) Dividend for investment is recognized when right to receive is established.

(J) Receivables

Receivables are disclosed at Indian currency equivalent of actually invoiced values. Receivables covered by bills of exchange purchased by the Company's bankers are neither shown as assets nor liabilities. Contingent liability in the event of non payment of the same is reflected in the Notes to the Accounts.

(K) Earnings Per Share:

Earnings per share is calculated in accordance with the procedure laid out in the relevant Indian Accounting Standard issued by The Institute of Chartered Accountants of India.

(L) Contingent Losses/ Liabilities:

Contingent losses & / or consequential contingent liabilities are disclosed in the notes to the accounts, where the company is reasonably assured that no loss / liability will arise but where the possibility of a loss/ liability does exist.

(M) Events Occurring after the Balance Sheet date:

It is the Company's Policy to take in to the account the impact of any significant event that occurs after the Balance Sheet date but before the finalization of accounts.

(N) Impairment of Assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount. (Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.)

(O) Financial Asset

(i) Ageing for trade receivables

There are no trade receivables outstanding on 31st March 2022.

(ii) Cash and cash equivalents

The Company considers all highly liquid investments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

(P) Financial Liabilities

(i) Dues of small enterprises and micro enterprises

The disclosure pursuant to the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act) for dues to micro enterprises and small enterprises as at 31st March 2022.

There are no MSME dues outstanding as on 31st March 2022.



(Q) Auditor Remuneration

Auditor's remuneration consists of the following:

Particulars	Year ended 31 st March 2022
Auditor	5,000

(R) Additional Regulatory Information

Ratios

Ratio	Numerator	Denominator	Current Year
Current ratio (in times)	Total current assets	Total current liabilities	0.00%
Debt-Equity ratio (in times)	Debt consists of borrowings and lease liabilities	Total equity	0.00%
Return on equity ratio (in %)	Profit for the year less Preference dividend (if any)	Average total equity	-41.80%

(S) Related Party Details and Transaction

Sr. No.	Name of Related Party	Nature of relationship	Type of the transaction	Amount (in Rs.)
1	Mirza International Limited	Holding Company	Payment of Incorporation Charges	35,000
2	Arvind Verma	Director	Payment of Fees	1,800

(T) Dividend

The Company has not declared dividend for the year ended 31st March, 2022.



REDTAPE LIMITED
CIN:U52609UP2021PLC156659
Notes to the Financial Statements for 31st March, 2022

As at 31st March 2022

2. CASH & CASH EQUIVALENTS

Cash in Hand	-
Cheques in Hand	-
Balances with Scheduled Banks	63,200
-In Current Account	63,200
Total	63,200

As at 31st March 2022

3. EQUITY SHARE CAPITAL

Authorised

50,000 Equity shares (P.Y. N.A.) of Rs. 2/- Each	1,00,000
	1,00,000

Issued, Subscribed & Paid Up

a) Fully Paid Equity Shares:	
50,000 (PY - Not Applicable) Equity Shares Fully Paid Up of Rs. 2/- Each	1,00,000
	1,00,000

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	No. of shares	Amount
Number of Shares at the Beginning	-	-
Add:- Shares Issued During the Year	50,000	1,00,000
Add:- Bonus Shares Issued During the Year	-	-
Number of Shares at the End	50,000	1,00,000

3.1 Details of Shareholding of promoters in the Company

(Equity Shares of Rs. 2/- each fully paid)

	No. of shares	% Holding
M/s. Mirza International Limited (Holding Company)	49,994	100%
Rashid Ahmed Mirza (Nominee Shareholder on behalf of Mirza International Ltd.)	1	0%
Shahid Ahmad Mirza (Nominee Shareholder on behalf of Mirza International Ltd.)	1	0%
Tauseef Ahmad Mirza (Nominee Shareholder on behalf of Mirza International Ltd.)	1	0%
Tasneef Ahmad Mirza (Nominee Shareholder on behalf of Mirza International Ltd.)	1	0%
Shuja Mirza (Nominee Shareholder on behalf of Mirza International Ltd.)	1	0%
Faraz Mirza (Nominee Shareholder on behalf of Mirza International Ltd.)	1	0%
	50,000	100%

3.2 Terms/Rights attached to Equity Shares

The Company has only one class of shares referred to as equity shares having par value of Rs.2/- 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 any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

4. Other Expenses

Particulars

	As at 31 st March 2022
Professional Charges- Incorporation Expenses	30,559
ROC Charges- Incorporation Expenses	6,241
Auditor's Remuneration	5,000
Total	41,800

As per our report of even date attached

For and on behalf of
Gulati Sandeep & Co
Firm Registration Number: 008694N



Sandeep Gulati

Partner

Membership No. 087455

U/DIN: 22087455AJWTPZ1693



for and on behalf of Redtape Limited



Shuja Mirza
Director
DIN: 01453110



Arvind Verma
Director
DIN: 09429834

Place: Noida

Dated: 25-05-2022