



**NOTICE CONVENING MEETING OF  
UNSECURED CREDITORS OF SHREE BHAGWATI FLOUR AND FOODS PRIVATE LIMITED  
PURSUANT TO ORDER DATED 30<sup>TH</sup> JULY 2024 OF THE HON'BLE NATIONAL  
COMPANY LAW TRIBUNAL, AHMEDABAD BENCH**

MEETING DETAILS	
Day	Tuesday
Date	10 <sup>th</sup> September 2024
Time	12:00 noon (IST)
Venue	Survey No. 430, Village - Moraiya, Sarkhej-Bavla Highway, Changodar, Ahmedabad - 382 213 Gujarat
Mode of Meeting	As per the directions of the Hon'ble National Company Law Tribunal, Ahmedabad Bench, the meeting and voting shall be conducted through physical mode

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**IN THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, AHMEDABAD BENCH**  
**COMPANY APPLICATION NO. 26 OF 2024 [CA(CAA)/26(AHM)2024]**

**IN THE MATTER OF THE COMPOSITE SCHEME OF ARRANGEMENT BETWEEN SHRI BHAGWATI FLOUR MILLS  
PRIVATE LIMITED AND SHREE BHAGWATI FLOUR AND FOODS PRIVATE LIMITED AND YELLOW SOUL FOODS  
PRIVATE LIMITED AND THEIR RESPECTIVE SHAREHOLDERS**

**UNDER SECTIONS 230-232 OF THE COMPANIES ACT, 2013 AND OTHER APPLICABLE PROVISIONS AND RULES  
FRAMED THEREUNDER**

**NOTICE CONVENING MEETING OF UNSECURED CREDITORS**

**To,**  
**All the Unsecured Creditors of**  
**Shree Bhagwati Flour and Foods Private Limited**

NOTICE is hereby given that, in accordance with the Order ("**Tribunal Order**") dated 30<sup>th</sup> July 2024 in the above mentioned Company Scheme Application, passed by the Hon'ble National Company Law Tribunal, Ahmedabad Bench ("**Tribunal**"), Tribunal has directed meeting of the unsecured creditors of the Company, for the purpose of their considering, and if thought fit, approving, with or without modification(s), the proposed Composite Scheme of Arrangement between Shri Bhagwati Flour Mills Private Limited ("**Transferor Company**" or "**SBFM**") and Shree Bhagwati Flour and Foods Private Limited ("**Transferee Company**" or "**Demerged Company**" or "**SBFF**" or "**Company**") and Yellow Soul Foods Private Limited ("**Resulting Company**" or "**YSF**") and their respective shareholders ("**Scheme**").

In pursuance of the said Order and as directed therein, further notice is hereby given that a meeting of the unsecured creditors of the Transferee Company will be held at Survey No. 430, Village - Moraiya, Sarkhej-Bavla Highway, Changodar, Ahmedabad - 382 213, Gujarat on Tuesday, 10<sup>th</sup> September 2024 at 12:00 noon (IST) ("**Meeting**") and all the unsecured creditors are requested to attend the same.

**TAKE FURTHER NOTICE** that copies of the Scheme, and notice including explanatory statement under Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 can be obtained free of charge at the Registered office of the Company on any working day up to the date of the Meeting between 10.00 a.m. and 5.00 p.m. (except Saturdays, Sundays and public holidays).

**TAKE FURTHER NOTICE** that the unsecured creditors may attend and vote at the said Meeting in person or by proxy (need not be a creditor) provided that a proxy in the prescribed form, duly signed by you or your authorized representative, is deposited at the Registered office of the Company not later than 48 (forty eight) hours before the time fixed for the aforesaid Meeting. Form of proxy is attached with this Notice.

**TAKE FURTHER NOTICE** that the Tribunal has appointed Mr. Mukesh M. Khandwala (Chartered Accountant, Membership No. 032472) failing him, Mr. Samsad Alam Khan (Practicing Company Secretary, Membership No. A28719) to be the Chairperson of the said Meeting. The above mentioned Scheme, if approved at the Tribunal Convened Meeting, will be subject to the subsequent approval and order of the NCLT.

Pursuant to the said Order and as directed therein, the Meeting will be held through physical mode, in compliance with the applicable provisions of the Act to consider, and if thought fit, pass, with or without modification(s), the following resolution for approval of the Scheme by requisite majority as prescribed under Section 230(1) and (6) read with Section 232(1) of the Act:

*“RESOLVED THAT pursuant to Section 230 to 232 and other applicable provisions of Companies Act, 2013 (“the Act”) read with (a) the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, and rules, circulars, notifications and orders made (along with any statutory modifications, re-enactments or amendments thereof) thereunder, and (b) relevant provisions of the Memorandum of Association and the Articles of Association of Shree Bhagwati Flour and Foods Private Limited (“SBFF” or “Transferee Company” or “Demerged Company” or “the Company”) and subject to approval by the Hon’ble National Company Law Tribunal, Ahmedabad bench (“NCLT”) and subject to all such other approvals, consents, permissions and sanctions as may be required to be obtained from appropriate authorities, and such conditions as may be imposed while granting such approvals, consents, permissions and sanctions to the Composite Scheme of Arrangement (“Scheme”) between the Transferee Company, Shri Bhagwati Flour Mills Private Limited (“Transferor Company” or “SBFM”) and Yellow Soul Foods Private Limited (“Resulting Company” or “YSF”) and their respective shareholders under Sections 230 to 232 and other applicable provisions and rules framed thereunder, placed before this meeting and initialed by the chairman, with or without modifications, be and is hereby approved.”*

*“RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution and for removal of any difficulties or doubts, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, usual or proper, settling of any questions or difficulties arising under the Scheme or with regards to the meaning or interpretation of the Scheme or implementation thereof or in any matter whatsoever connected therewith, or to review the position relating to the satisfaction of various conditions of the Scheme and if necessary, to waive any of those, and to do all acts, deeds and things as may be necessary, desirable or expedient for carrying the Scheme into effect or to carry out such modifications/directions as may be required and/or imposed and/or permitted by the NCLT while sanctioning the Scheme, or by any Governmental authorities, and/or modifications are suggested/required to be made in the Scheme or any condition suggested, required or imposed by NCLT, and/or any other authority, and to do all such acts, deeds and things as it may deem necessary and desirable in connection therewith and incidental thereto.”*

A copy of the Explanatory Statement under Section 230(3) of the Act, read with Section 102 of the Act and Rule 6(3) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (“Amalgamation Rules”) along with copy of the Scheme and other annexures including form of Proxy and Attendance Slip are enclosed herewith.

Date: 5<sup>th</sup> August 2024  
Place: Ahmedabad

**Sd/-**  
**Mr. Mukesh Khandwala, Chartered Accountant**  
**Chairperson appointed by Tribunal for the Meeting**

**Registered Office:**

Shree Bhagwati Flour and Foods Private Limited  
CIN: U15319GJ1994PTC021888  
Survey No 430, Moriya Bavla Sarkhej Road,  
Ahmedabad, Gujarat – 380 001.  
Website: [www.bhagwatiexports.com](http://www.bhagwatiexports.com)  
E-mail: [contact.sbffpl@gmail.com](mailto:contact.sbffpl@gmail.com); Tel.: +91 957400 8405/8415

**Notes:**

1. Only such Unsecured Creditors of the Company may attend and vote (either in person or by Proxy) at the Meeting, whose names appear in the Chartered Accountant's certificate certifying the list of unsecured creditors of the Company as on 31<sup>st</sup> March 2024 as had been filed with the Tribunal in Company Application No. 26 of 2024.
2. Voting rights of an unsecured creditor of the Company shall be in proportion to the outstanding amount due by the Company as on the cut-off date i.e. 31<sup>st</sup> March 2024.
3. In accordance with Rule 10 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, the instrument of Proxy in order to be effective, must be in the prescribed form and should be duly signed by the person entitled to attend and vote at the aforesaid Meeting or by his authorised representative. Such instrument must be either filed with the Company at its Registered Office or sent to the Company at the e-mail id: [contact.sbffpl@gmail.com](mailto:contact.sbffpl@gmail.com), not later than 48 hours before the commencement of the Meeting. Such proxy need not be an unsecured creditor of the company.
4. All alterations made in the form of proxy should be initialed.
5. The authorised representative of a Body Corporate which is an Unsecured Creditor of the Company may attend and vote at the Meeting, provided a certified copy of the resolution of the Board of Directors or other governing body of such Body Corporate, authorizing such representative to attend and vote at the Meeting on behalf of such Body Corporate is deposited at the Registered Office of the Company not later than 48 hours before the commencement of the Meeting. Further, the authorised representative and any persons voting by Proxy are requested to carry a copy of valid proof of identity at the Meeting.
6. A minor can not be appointed as Proxy.
7. An unsecured creditor or his/her proxy is requested to bring the copy of the Notice to the Meeting and produce the Attendance Slip, duly completed and signed at the entrance of the Meeting venue.
8. The quorum of the Meeting of the Unsecured Creditors of the Applicant Company shall be Unsecured creditors representing not less than 25% in number and 50% in value. In case the quorum as noted above, for the above Meeting of Unsecured Creditor of the Transferee Company is not present at the Meeting, then the Meeting shall be adjourned to same day in the next week at the same place and time. If the quorum is still not present on such adjourned date, then the Chairman may furnish a report to that effect to NCLT within seven days thereafter.
9. The facility for physical voting through Ballot Paper shall be made available at the Meeting.
10. The Notice of the Meeting and the accompanying documents mentioned therein are being sent either by Registered Post or Speed Post or Airmail or E-Mail or by Courier or by Hand Delivery to the Unsecured Creditors of the Company.
11. The unsecured creditors of the Company may note that the aforesaid documents are also available on the website of the Company i.e. [www.bhagwatiexports.com](http://www.bhagwatiexports.com).
12. If so desired, unsecured creditors of the Company may obtain a physical copy of the Notice and the accompanying documents, i.e. Scheme and the Statement under Sections 230 and 232 read with Section

102 and other applicable provisions of the Act and Amalgamation Rules etc., free of charge. A written request may be addressed to the Company at its Registered office.

13. The Tribunal vide its Order dated 30<sup>th</sup> July 2024 has appointed Mr. Mukesh M. Khandwala (Chartered Accountant, Membership No. 032472) failing him, Mr. Samsad Alam Khan (Practicing Company Secretary, Membership No. A28719) to be the Chairperson of the said Meeting. Further, Tribunal has appointed Mr. Parth Pandya, Practising Company Secretary (Membership No. A44807), as the Scrutinizer to conduct voting process in a fair and transparent manner.
14. The Notice convening the aforesaid Tribunal Convened Meeting will be published through advertisement in "Business Standard", English Daily, and "Jansatta", Gujarati Daily having circulation in Ahmedabad indicating the day, date, place and time of the Meeting and stating that the copies of the Scheme, and the Explanatory Statement required to be furnished pursuant to Sections 230 to 232 of the Act and the form of proxy shall be provided free of charge at the Registered office of the Company.
15. The Scrutinizer will submit his report of the Meeting to the Chairperson of the Meeting after scrutinizing the voting made by Unsecured Creditors of the Company through polling papers at the venue of the Meeting. The Chairman to submit a report to the Tribunal on the result of the Meeting within the time fixed by the Tribunal within seven days after the conclusion of the Meeting.
16. The results, together with scrutinizer's report, will be announced and be placed on the website of the Company at [www.bhagwatiexports.com](http://www.bhagwatiexports.com).
17. Any queries/grievances in relation to notice may be addressed to the Company at the registered office of the Company or through e-mail at [contact.sbffpl@gmail.com](mailto:contact.sbffpl@gmail.com).

IN THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, AHMEDABAD BENCH

COMPANY APPLICATION NO. 26 OF 2024

[CA(CAA)/26(AHM)2024]

**EXPLANATORY STATEMENT UNDER SECTIONS 230(3) AND 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 6(3) OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 TO THE NOTICE OF THE TRIBUNAL CONVENED MEETING OF THE UNSECURED CREDITORS OF SHREE BHAGWATI FLOUR AND FOODS PRIVATE LIMITED**

**Shree Bhagwati Flour and Foods Private Limited**, a company incorporated under the provisions of the Companies Act, 1956 having Corporate Identification Number: U15319GJ1994PTC021888 and its registered office at Survey No 430, Moriya Bavla Sarkhej Road, Ahmedabad, Gujarat – 380 001.

... Transferee Company/  
Demerged Company

**EXPLANATORY STATEMENT UNDER SECTIONS 230 AND 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 (“ACT”) AND RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 (“CAA RULES”) TO THE NOTICE OF THE MEETING OF UNSECURED CREDITORS OF SHREE BHAGWATI FLOUR AND FOODS PRIVATE LIMITED CONVENED PURSUANT TO ORDER OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL (“TRIBUNAL”) DATED 30<sup>TH</sup> JULY 2024 (“TRIBUNAL ORDER”)**

**I. MEETING FOR THE SCHEME**

This is a Statement accompanying the Notice convening the meeting of unsecured creditors of Shree Bhagwati Flour and Foods Private Limited, for the purpose of their considering and if thought fit, approving, with or without modification, the proposed Composite Scheme of Arrangement amongst Shri Bhagwati Flour Mills Private Limited (“**Transferor Company**” or “**SBFM**”) and Shree Bhagwati Flour and Foods Private Limited (“**Transferee Company**” or “**Demerged Company**” or “**SBFF**” or “**Company**”) and Yellow Soul Foods Private Limited (“**Resulting Company**” or “**YSF**”) and their respective shareholders (“**Scheme**”).

Pursuant to an Order dated 30<sup>th</sup> July 2024, passed by the Ahmedabad Bench of the National Company Law Tribunal (“**NCLT**”) in the abovementioned Company Application No. 26 of 2024 (“**Order**”), a meeting of the Unsecured Creditors of SBFF is being convened at ‘Survey No 430, Village – Moraiya, Sarkhej-Bavla Highway, Changodar, Ahmedabad, Gujarat – 382 213 on Tuesday, 10<sup>th</sup> September 2024 at 12:00 noon (IST) (“**Meeting**”) and all the unsecured creditors are requested to attend the same.

The Scheme provides for: (i) amalgamation of the Transferor Company with the Transferee Company; and (ii) demerger, transfer and vesting of the Real Estate Business Undertaking from the Demerged Company into the Resulting Company on a going concern basis. In addition, this Scheme also provides for various other matters consequential or otherwise integrally connected herewith.

Capital terms used in the Notice and this Statement shall have the same meaning as ascribed to them in the Scheme. A copy of the Scheme has been attached hereto as **Annexure A**.

The quorum of the Meeting of the Unsecured Creditors of the Applicant Company shall be Unsecured creditors representing not less than 25% in number and 50% in value. In case the quorum as noted above, for the above meeting of Unsecured Creditor of the Transferee Company is not present at the meeting, then the meeting shall be adjourned to same day in the next week at the same place and time. If the quorum is still not present

on such adjourned date, then the Chairman may furnish a report to that effect to NCLT within seven days thereafter.

In accordance with the provisions of Sections 230-232 of the Act, the Composite Scheme of Arrangement shall be considered approved by the Unsecured Creditors only if the Scheme is approved by majority in number representing three-fourth in value of the Unsecured Creditors, of the Applicant Company, voting in person or by proxy.

## **II. BACKGROUND OF THE COMPANIES**

### **1. SBFM**

- a. Shri Bhagwati Flour Mills Private Limited was incorporated on 11<sup>th</sup> March 1992 as a private company in the State of Gujarat in accordance with the provisions of the Companies Act, 1956 under the name and style Shri Bhagwati Flour Mills Private Limited. Subsequently, the company became a public company and the name was changed to Shri Bhagwati Flour Mills Limited vide fresh certificate issued consequent to change in name on 4<sup>th</sup> April 1995. Further, the company became a private company and the name was changed to its present name, Shri Bhagwati Flour Mills Private Limited vide fresh certificate issued consequent to conversion on 27<sup>th</sup> March 2002. The registered office of SBFM is situated at Siddhesweri Estate, Near AMTS Bus Stand, Naroda, Ahmedabad, Gujarat – 382325. SBFM is engaged in the manufacturing of besan, atta, maida and sooji flour processing with well-established distribution network and strong brand presence of ‘Gaay Chhap’ and ‘Uttam’ in India. The corporate identity number of the Transferor Company is U15310GJ1992PTC017267. The PAN of the Transferor Company is AAACB8907E and e-mail ID of the authorised representative is contact.sbfmpl@gmail.com. The equity shares of the Transferor Company are not listed on any of the stock exchanges in India.
- b. The main objects of SBFM are set out in Clause 3(a) of its memorandum of association and has been summarized as below for the perusal of the unsecured creditors:

*“A. THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:*

- 1. To carry on the business of millers, exporters, importers, dealers, processors and to run mills for milling gram, dal, wheat and to manufacture besan, maida, atta, suji cereals and to manufacture sell and deal other allied bye-products.”*

During the last five years, there has been no change in the objects clause of SBFM.

- c. The share capital of SBFM as on the date of this Notice is as follows:

<b>Particulars</b>	<b>Amount in Rs.</b>
<b><u>Authorised Share Capital</u></b>	
5,000,000 Equity Shares of Rs. 10/- each	50,000,000
<b>Total</b>	<b>50,000,000</b>
<b><u>Issued, Subscribed and Paid-up share capital</u></b>	
4,250,000 Equity Shares of Rs. 10/- each, fully paid up	42,500,000
<b>Total</b>	<b>42,500,000</b>

The standalone audited financial statement of SBFM for the year ended 31<sup>st</sup> March 2024 are attached hereto as **Annexure B**.



- d. The details of Directors and Promoters of SBFFM along with their addresses as on date are mentioned herein below:

Sr. No.	Name	Category	Address
<b>Directors</b>			
1.	Mr. Nitinbhai Patel	Director	R-12, HERITAGE RESIDENCY, NEAR HERITAGE HOMES, THALTEJ, SHILAJ ROAD, AHMEDABAD, GUJARAT - 380054
2.	Mr. Vashistha Patel	Director	R-12, HERITAGE RESIDENCY, NEAR HERITAGE HOMES, THALTEJ, SHILAJ ROAD, AHMEDABAD, GUJARAT - 380054
3.	Mrs. Hemanginiben Patel	Director	R-12, HERITAGE RESIDENCY, NEAR HERITAGE HOMES, THALTEJ, SHILAJ ROAD, AHMEDABAD, GUJARAT - 380054
4.	Mrs. Amulaben Patel	Additional Director	R-12, HERITAGE RESIDENCY, NEAR HERITAGE HOMES, THALTEJ, SHILAJ ROAD, AHMEDABAD, GUJARAT - 380054
5.	Mr. Ragesh Pramukhlal Parikh	Additional Director	10 VRUNDAVAN VILLA-4, NR SHILAJ CIRCLE, THALTEJ, AHMEDABAD - 380059
<b>Promoters</b>			
1.	Mr. Nitinbhai Patel	Promoter	R-12, HERITAGE RESIDENCY, NEAR HERITAGE HOMES, THALTEJ, SHILAJ ROAD, AHMEDABAD, GUJARAT - 380054
2.	Mr. Vashistha Patel	Promoter	R-12, HERITAGE RESIDENCY, NEAR HERITAGE HOMES, THALTEJ, SHILAJ ROAD, AHMEDABAD, GUJARAT - 380054
3.	Mrs. Hemanginiben Patel	Promoter	R-12, HERITAGE RESIDENCY, NEAR HERITAGE HOMES, THALTEJ, SHILAJ ROAD, AHMEDABAD, GUJARAT - 380054
4.	Mrs. Amulaben Patel	Promoter	R-12, HERITAGE RESIDENCY, NEAR HERITAGE HOMES, THALTEJ, SHILAJ ROAD, AHMEDABAD, GUJARAT - 380054

## 2. **SBFF**

- a. Shree Bhagwati Flour and Foods Private Limited was incorporated on 25<sup>th</sup> April 1994 as a public company in the State of Gujarat in accordance with the provisions of the Companies Act, 1956 under the name and style Shree Bhagwati Flour and Foods Limited. Subsequently, the company became a private limited company and the name was changed to its present name Shree Bhagwati Flour and Foods Private Limited vide fresh certificate consequent on conversion on 27<sup>th</sup> March 2002. The registered office of SBFF is situated at Survey No 430, Moriya Bavla Sarkhej Road, Ahmedabad, Gujarat - 380001. SBFF is engaged in processing, manufacturing, exporting and private labelling of varied flours, spices, pulses, snacks, etc. and a whole range of food items and

other ingredients. The corporate identity number of the Transferee Company is U15319GJ1994PTC021888. The PAN of the Transferee Company is AAGCS5920E and e-mail ID of the authorised representative is contact.sbffpl@gmail.com. The equity shares of the Transferee Company are not listed on any of the stock exchanges in India.

- b. The main objects clause of SBFF are set out in Clause 3(a) of its Memorandum of Association and has been summarized as below for the perusal of the unsecured creditors:

*“(A) THE MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION:*

1. *To carry on the business of millers, exporters, importers, dealers, processors of milling gram, dal, wheat and to manufacture besan, maida, atta, suji, cereals and to manufacture, sell and deal other allied bye-products.*
2. *To carry on the business as manufacturers, producers, distributors, processors buyers, sellers. importers, exporters, grinding millers and preparation in every kind and description of instant foods and foodstuffs, spices, pickles, papad, khakhara, corn, dryfruit and grain.”*

During the last five years, there has been no change in the objects clause of SBFF.

- c. The share capital of SBFF as on the date of this Notice is as follows:

Particulars	Amount in Rs.
<b>Authorised Share Capital,</b>	
3,000,000 Equity Shares of Rs. 10/- each	30,000,000
<b>Total</b>	<b>30,000,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
2,493,500 Equity Shares of Rs. 10/- each, fully paid up	24,935,000
<b>Total</b>	<b>24,935,000</b>

The standalone unaudited financial statement of SBFF for the year ended 31<sup>st</sup> March 2024, are attached hereto as **Annexure C**.

- d. The details of Directors and Promoters of SBFF along with their addresses as on date are mentioned herein below:

Sr. No.	Name	Category	Address
<b>Directors</b>			
1.	Mr. Nitinbhai Patel	Director	R-12, HERITAGE RESIDENCY, NEAR HERITAGE HOMES, THALTEJ, SHILAJ ROAD, AHMEDABAD, GUJARAT - 380054
2.	Mr. Vashistha Patel	Director	R-12, HERITAGE RESIDENCY, NEAR HERITAGE HOMES, THALTEJ, SHILAJ ROAD, AHMEDABAD, GUJARAT - 380054
3.	Mrs. Hemanginiben Patel	Director	R-12, HERITAGE RESIDENCY, NEAR HERITAGE HOMES, THALTEJ, SHILAJ ROAD, AHMEDABAD, GUJARAT - 380054

4.	Mr. Tushar Dhirajlal Patel	Additional Director	48, NILAM PARK, OPP. CHINMAY TOWER, MEMNAGAR, AHMEDABAD – 380052
5.	Mr. Ankit Upendrabhai Acharya	Additional Director	B-401, SAMPRAT RESIDENCY, OPP. NILKANTH BUNGLOWS, DPS-BOPAL ROAD, BOPAL, AHMEDABAD - 380058
6.	Mrs. Amula Vashistha Patel	Additional Director	R-12, HERITAGE RESIDENCY, NEAR HERITAGE HOMES, THALTEJ, SHILAJ ROAD, AHMEDABAD, GUJARAT - 380054
<b>Promoters</b>			
1.	Mr. Nitinbhai Patel	Promoter	R-12, HERITAGE RESIDENCY, NEAR HERITAGE HOMES, THALTEJ, SHILAJ ROAD, AHMEDABAD, GUJARAT - 380054
2.	Mr. Vashistha Patel	Promoter	R-12, HERITAGE RESIDENCY, NEAR HERITAGE HOMES, THALTEJ, SHILAJ ROAD, AHMEDABAD, GUJARAT – 380054
3.	Mrs. Hemanginiben Patel	Promoter	R-12, HERITAGE RESIDENCY, NEAR HERITAGE HOMES, THALTEJ, SHILAJ ROAD, AHMEDABAD, GUJARAT – 380054

### 3. YSF

- a. Yellow Soul Foods Private Limited ("**Resulting Company**" or "**YSF**") was incorporated on 16<sup>th</sup> June 2022 as a private company in the State of Gujarat in accordance with the provisions of the Companies Act, 2013. The registered office of YSF is situated at GF 3, Parisima, Opp IFC Bhavan, Opp Vaishali Complex, CG Road, Ellisbridge, Ahmedabad, Gujarat – 380006. YSF was incorporated to carry out the business of manufacturing, processing, trading in various food products. The corporate identity number of the Resulting Company is U15400GJ2022PTC132962. The PAN of the Resulting Company is AABCY5477H and e-mail ID of the authorised representative is yellowsoulfoods2022@gmail.com. The equity shares of the Resulting Company are not listed on any of the stock exchanges in India.
- b. The main objects of YSF are set out in Clause 3(a) of its memorandum of association and has been summarized as below for the perusal of the unsecured creditors:

“A. THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:

*To carry on the business of process, produce. Mix, pack, preserve, freeze, extract, refine, manufacture, import, export, buy, sell, trade and deal in processed foods, health foods, protein foods, food products, fast foods, packed foods, poultry products, milk foods, health and diet drinks, extruded foods, dehydrated foods, precooked foods, preserved foods, bakery products and confectionery items such as breads, biscuits, sweets, cakes, pastries, cookies, wafers, lemon drops, chocolate, toffees, tinned fruits, chewing gum, bubble gum, tea and coffee, vegetables, fruits, jams, jelly, pickles, squashes, nutrient, health and diet foods / drinks, extruded foods, confectionery items, sweets, cereals products.”*

Since the incorporation of the company, there has been no change in the objects clause of YSF.

- c. The share capital of YSF as on the date of the Notice is as follows:

Particulars	Amount in Rs.
<b>Authorised Share Capital,</b>	
20,000 Equity Shares of Rs. 10/- each	200,000
<b>Total</b>	<b>200,000</b>
<b>Issued, Subscribed and Paid-up Share Capital</b>	
20,000 Equity Shares of Rs. 10/- each, fully paid up	200,000
<b>Total</b>	<b>200,000</b>

The standalone unaudited financial statements of YSF for the year ended 31<sup>st</sup> March 2024 are attached hereto as **Annexure D**. The standalone audited financial statement of SBFM for the year ended 31<sup>st</sup> March 2023 are attached hereto as **Annexure E**.

- d. The details of Directors and Promoters of YSF along with their addresses as on date are mentioned herein below:

Sr. No.	Name	Category	Address
<b>Directors</b>			
1.	Mr. Nitinbhai Patel	Additional Director	R-12, HERITAGE RESIDENCY, NEAR HERITAGE HOMES, THALTEJ, SHILAJ ROAD, AHMEDABAD, GUJARAT - 380054
2.	Mr. Vashistha Patel	Director	R-12, HERITAGE RESIDENCY, NEAR HERITAGE HOMES, THALTEJ, SHILAJ ROAD, AHMEDABAD, GUJARAT - 380054
3.	Mrs. Hemanginiben Patel	Additional Director	R-12, HERITAGE RESIDENCY, NEAR HERITAGE HOMES, THALTEJ, SHILAJ ROAD, AHMEDABAD, GUJARAT - 380054
4.	Mrs. Amulaben Patel	Additional Director	R-12, HERITAGE RESIDENCY, NEAR HERITAGE HOMES, THALTEJ, SHILAJ ROAD, AHMEDABAD, GUJARAT - 380054
<b>Promoters</b>			
1.	Mr. Nitinbhai Patel	Promoter	R-12, HERITAGE RESIDENCY, NEAR HERITAGE HOMES, THALTEJ, SHILAJ ROAD, AHMEDABAD, GUJARAT - 380054
2.	Mr. Vashistha Patel	Promoter	R-12, HERITAGE RESIDENCY, NEAR HERITAGE HOMES, THALTEJ, SHILAJ ROAD, AHMEDABAD, GUJARAT - 380054
3.	Mrs. Hemanginiben Patel	Promoter	R-12, HERITAGE RESIDENCY, NEAR HERITAGE HOMES, THALTEJ, SHILAJ ROAD, AHMEDABAD, GUJARAT - 380054

4.	Mrs. Amulaben Patel	Promoter	R-12, HERITAGE RESIDENCY, NEAR HERITAGE HOMES, THALTEJ, SHILAJ ROAD, AHMEDABAD, GUJARAT - 380054
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### **III. RATIONALE AND BENEFITS OF THE SCHEME**

The circumstances which justify and/or have necessitated the said Scheme and the benefits of the same are, inter alia, as follows:

*“The proposed scheme deals with amalgamation of the Transferor Company with the Transferee Company and upon such amalgamation, demerger of Real Estate Business Undertaking from the Demerged Company into the Resulting Company. The proposed Scheme would be in the best interest of the Companies and their respective shareholders, employees, creditors, lenders and other stakeholders as the proposed reorganization pursuant to this Scheme is expected, inter alia, to yield advantages as set out in the Scheme, below:*

- a) *Amalgamation of the Transferor Company and the Transferee Company:*
  - *Both companies, viz. the Transferor Company and the Transferee Company are engaged in similar line of business and are subject to same industry risk. Hence consolidation of all operating businesses under a single entity will simplify the existing group structure;*
  - *Focused operational efforts would assist in realizing synergies in terms of compliance, governance, administration and costs;*
  - *Combined business will experience and derive synergies in the operation, administration, supply chain management, resource planning, productivity and optimal utilization of existing resources;*
  - *Greater efficiency in cash management and access to cash flow generated by the combined business which can be deployed more efficiently to maximize shareholder value;*
  - *The Transferee Company will gain the benefit of improved organizational capability and leadership which will help it to compete successfully in the industry.*
  
- b) *Demerger and vesting of the Real Estate Business Undertaking, from the Demerged Company to the Resulting Company:*
  - *Enable segregation of each business segment so as to facilitate the operations of carved out business with greater focus and tailor-made strategies for operations and growth;*
  - *Enable the attribution of appropriate risk and valuation based on the risk-return profile of business; and*
  - *Provide greater visibility and better opportunities for individual business to seek potential investors and unlock value for all stakeholders.”*

### **IV. SALIENT FEATURES OF THE SCHEME**

The salient features of the Scheme are, inter alia, as stated below:

- a. The Appointed Date of the Scheme means 1st April 2024 or such other date as may be fixed or approved by the National Company Law Tribunal or such other competent authority.
- b. The Effective Date of the Scheme means the last of the dates on which all the conditions and matters referred to in Clause 31 of the Scheme occur or have been fulfilled or waived in accordance with this Scheme. References in this Scheme to date of ‘coming into effect of the Scheme’ or ‘effectiveness of the Scheme’ shall mean the Effective Date.
- c. As per clause 4.1 of the Scheme, upon the Scheme becoming effective and with effect from the Appointed Date, the entire business and whole of the Undertaking of the Transferor Company including all its properties and assets (whether movable or immovable, tangible or intangible) of whatsoever nature including investments, licenses, permits, quotas, approvals, lease, tenancy rights,

permissions, incentives, development of rights, if any, and all other rights, title, interest, contracts, consents, approvals or powers of every kind, nature and descriptions whatsoever and all nature of liabilities shall, under the provisions of Sections 230 to 232 of the Act and pursuant to the orders of the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, and without further act, instrument or deed, be and shall stand transferred to and/or vested in or be deemed to have been and stand transferred to or vested in the Transferee Company as a going concern 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.

- d. As per Clause 17.1 of the Scheme, upon the Scheme becoming effective and with effect from the Appointed Date, the entire Real Estate Business Undertaking of the Demerged Company including all its properties and assets (whether movable or immovable, tangible or intangible) of whatsoever nature including investments, licenses, permits, quotas, approvals, lease, tenancy rights, permissions, incentives, development of rights, if any, and all other rights, title, interest, contracts, consents, approvals or powers of every kind, nature and descriptions whatsoever and all nature of liabilities in relation to Real Estate Business Undertaking, shall, under the provisions of Sections 230 to 232 of the Act and pursuant to the orders of the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, and without further act, instrument or deed, be and shall stand transferred to and/or vested in or be deemed to have been and stand transferred to or vested in the Resulting Company as a going concern so as to become as and from the Appointed Date, the Real Estate Business Undertaking of the Resulting Company by virtue of and in the manner provided in this Scheme.
- e. This Scheme is and shall be conditional upon and subject to:
  - (i) The Scheme being approved by the requisite majorities in number and value of such classes of persons including the members and/or creditors of the Companies as may be directed by the Tribunal or any other competent authority, as may be applicable.
  - (ii) The Scheme being sanctioned by the Tribunal or any other competent authority, as may be applicable, under Sections 230 to 232 of the Companies Act, 2013.
  - (iii) Certified copies of the Orders of the Tribunal or any other competent authority, as may be applicable, being filed with the Registrar of Companies by the Companies.
- f. On the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up and its name shall be struck off from the records of the appropriate Registrar of Companies.

**Note: The above details are the salient features of the Scheme. The unsecured creditors of the Company are requested to read the entire text of the Scheme annexed hereto to get fully acquainted with the provisions thereof.**

#### **V. RELATIONSHIP SUBSISTING BETWEEN PARTIES TO THE SCHEME**

SBFM, SBFF and YSF are held and controlled by same promoter group.

## **VI. BOARD APPROVAL**

1. The Board of Directors of SBFM at its Board Meeting held on 26<sup>th</sup> April 2024, unanimously approved the Scheme, as detailed below:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Category</b>
1.	Mr. Nitinbhai Patel	In favour
2.	Mr. Vashistha Patel	In favour
3.	Mrs. Hemanginiben Patel	In favour
4.	Mrs. Amulaben Patel	In favour
5.	Mr. Ragesh Pramukhlal Parikh	In favour

2. The Board of Directors of SBFF at its Board Meeting held on 26<sup>th</sup> April 2024, unanimously approved the Scheme, as detailed below:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Category</b>
1.	Mr. Nitinbhai Patel	In favour
2.	Mr. Vashistha Patel	In favour
3.	Mrs. Hemanginiben Patel	In favour
4.	Mr. Tushar Dhirajlal Patel	In favour
5.	Mr. Ankit Upendrabhai Acharya	In favour
6.	Mrs. Amula Vashistha Patel	In favour

3. The Board of Directors of YSF at its Board Meeting held on 26<sup>th</sup> April 2024, unanimously approved the Scheme, as detailed below:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Category</b>
1.	Mr. Nitinbhai Patel	In favour
2.	Mr. Vashistha Patel	In favour
3.	Mrs. Hemanginiben Patel	In favour
4.	Mrs. Amula Vashistha Patel	In favour

## **VII. CAPITAL STRUCTURE**

The capital structure of SBFF, SBFM and YSF is provided in Paragraph II(1)(c) and Paragraph II(2)(c) and Paragraph II(3)(c) respectively.

## **VIII. CONSIDERATION/ SHARE ENTITLEMENT RATIO PURSUANT TO THE SCHEME**

(a) Consideration for amalgamation:

Upon the coming into effect of the Scheme and in consideration of the transfer and vesting of the Undertaking of the Transferor Company in the Transferee Company in terms of the Scheme, the Transferee Company shall, without any further application, act, instrument or deed, issue and allot to each member of the Transferor Company, whose name is registered in the Register of Members of the Transferor Company on the Effective Date or his/her/its legal heirs, executors or successors as the case may be, shares in the Transferee Company, in the following ratio:

*133 (One Hundred and Thirty-Three) fully paid-up Equity Shares efface Value of Rs. 10 (Ten) each of Transferee Company for every 1,000 (One Thousand) fully paid-up Equity Shares of face Value Rs. 10 (Ten) each held in Transferor Company.*

(b) Consideration for demerger of Real Estate Business Undertaking:

Upon the coming into effect of the Scheme and in consideration of the transfer and vesting of the Real Estate Business Undertaking of the Demerged Company in the Resulting Company in terms of the Scheme, the Resulting Company shall, without any further application, act, instrument or deed, issue and allot to each member of the Demerged Company, whose name is registered in the Register of Members of the Demerged Company on the Effective Date or his/her/its legal heirs, executors or successors as the case may be (after giving effect to Clause 5.1 of the Scheme), shares in the Resulting Company, in the following ratio:

*5,512 five Thousand Five Hundred and twelve) fully paid-up Equity Shares of face Value of Rs. 10 (Ten) each of Resulting Company for every 1,000 (One Thousand) fully paid-up Equity Shares efface Value Rs. 10 (Ten) each held In Demerged Company.*

## **IX. INTEREST OF DIRECTORS, KEY MANAGERIAL PERSONNEL, THEIR RELATIVES AND DEBENTURE TRUSTEE**

None of the Directors, KMPs of SBFF, SBFM and YSF and their respective relatives (as defined under the Act and rules framed thereunder) have any interest in the Scheme except to the extent of their shareholding and their outstanding balance on account of being unsecured creditors, if any, in SBFF and SBFM and YSF. The effect of the Scheme on the material interests of the Directors, Key Managerial Personnel and their respective relatives, is not any different from the effect on other shareholders. The details of the shareholding of the Directors, Key Managerial Personnel and their respective relatives as on 31<sup>st</sup> March 2024 is as follows:

Sr. No	Name of Director	No. of equity shares held in SBFM	No. of equity shares held in SBFF	No. of equity shares held in YSF
1.	Mr. Nitinbhai Patel	21,74,400	11,03,890	5,000
2.	Mr. Vashistha Patel	9,13,800	8,41,470	5,000
3.	Mrs. Hemanginiben Patel	8,11,800	5,48,140	5,000
4.	Mrs. Amula Vashistha Patel	3,50,000	-	5,000



The details of the outstanding balance on account of the Directors, Key Managerial Personnel and their respective relatives being unsecured creditors as on 31<sup>st</sup> March 2024 is as follows:

Sr. No	Name of Director	Outstanding Balance in SBFM	Outstanding Balance in SBFF	Outstanding Balance in YSF
1.	Mr. Nitinbhai Patel	23,11,284	24,59,204	-
2.	Mr. Vashistha Patel	3,08,52,561	10,62,399	5,00,000
3.	Mrs. Hemanginiben Patel	4,40,40,409	81,89,682	-
4.	Mrs. Amula Vashistha Patel	65,12,894	26,08,589	-

SBFF, SBFM and YSF do not have any outstanding debentures and accordingly, do not have any debenture trustee(s).

#### **X. EFFECT OF SCHEME ON STAKEHOLDERS**

The effect of the Scheme on various stakeholders is summarised below:

##### **i. Equity shareholders, key managerial personnel, promoter and non-promoter shareholders**

The effect of the Scheme on the equity shareholders, key managerial personnel, promoter and non-promoter shareholders of SBFM, SBFF and YSF is given in the reports adopted by the Board of Directors of SBFM, SBFF and YSF at their respective meetings held on 26<sup>th</sup> April 2024, pursuant to the provisions of Section 232(2)(c) of the Act which are attached as **Annexure F, Annexure G** and **Annexure H** respectively to this Statement.

##### **ii. Directors**

The Scheme will have no effect on the office of the existing Directors of SBFF and YSF. Further, no change in the Board of Directors of SBFF and YSF is envisaged on account of the Scheme. It is clarified that, the composition of the Board of Directors of SBFF and YSF may change by appointments, retirements or resignations in accordance with the provisions of the Act and Memorandum and Articles of Association of SBFF and YSF respectively.

Upon the Scheme becoming effective, Transferor Company shall stand dissolved without being wound up and accordingly, all the Directors of SBFM will cease to be its Directors.

The effect of the Scheme, on the Directors of SBFF, SBFM and YSF in their capacity as equity shareholders of SBFF, SBFM and YSF, being party to the Scheme, is the same as in the case of other shareholder.

##### **iii. Employees**

As per clause 11 of the Scheme, upon the effectiveness of Section I of Part B of the Scheme, all the employees of SBFM as on the Effective Date shall become employees of SBFF, without any interruption in service, on terms and conditions no less favorable than those on which they are engaged by SBFM.

As per clause 24 of the Scheme, upon effectiveness of Section II of Part B of the Scheme, all the employees forming part of the Real Estate Business Undertaking of SBFF, shall become employees of YSF, on the terms and conditions not less favorable than those on which they are engaged by SBFF.

The Scheme does not have any adverse impact on the employees of SBFM, SBFF & YSF.

iv. Creditors

As per Clause 4.2(e) of the Scheme, all the creditors of SBFM shall become creditors of SBFF.

As per clause 17.2(e) of the Scheme, all the creditors forming part of the Real Estate Business Undertaking of SBFF shall become creditors of YSF.

The Scheme does not involve any compromise or arrangement with the respective creditors of SBFF, SBFM and YSF. The rights of the respective creditors of SBFF, SBFM and YSF shall not be impacted pursuant to the Scheme and there will be no reduction in their claims on account of the Scheme. There is no likelihood that the respective creditors of SBFF, SBFM and YSF would be prejudiced in any manner as a result of the Scheme being sanctioned.

The Scheme would not in any way adversely affect the ordinary operations of the Company or the ability of the Company to honor its commitments or pay the debts in ordinary course of business.

v. Debenture holders and Debenture trustees

SBFF, SBFM and YSF do not have any outstanding debentures and accordingly, do not have any debenture trustee(s).

vi. Depositors and Deposit Trustees

SBFF, SBFM and YSF have not accepted any public deposits and accordingly, do not have appointed any deposit trustee.

**XI. AMOUNTS DUE TO SECURED & UNSECURED CREDITORS**

Amounts due to secured and unsecured creditors by SBFM, SBFF and YSF as on 31<sup>st</sup> March 2024 are as follows:

INR in Crores

Name of Company	Amount due to Secured Creditors	Amount due to Unsecured Creditors
Shri Bhagwati Flour Mills Private Limited	85.16	8.44
Shree Bhagwati Flour and Foods Private Limited	55.44	7.13
Yellow Soul Foods Private Limited	-	0.30

**XII. CAPITAL / DEBT RESTRUCTURING**

The Scheme does not involve any debt restructuring.

Pursuant to Section I of Part B of the Scheme, upon amalgamation of SBFM into SBFF, share capital of SBFF shall stand increased by the aggregate of face value of the equity shares issued to the shareholders of SBFM.

Pursuant to Section II of Part B of the Scheme, upon demerger of Real Estate Business Undertaking the share capital of YSF shall stand increased by the aggregate of face value of the equity shares issued to the shareholders of SBFF.

### XIII. PRE-SCHEME SHAREHOLDING PATTERN OF SBFF, SBFM AND YSF

- i. The Pre-Scheme and Post-Scheme shareholding pattern of SBFM (based on shareholding data as on 31<sup>st</sup> March 2024) is as follows:

Sr. No.	Category of shareholder	Pre-Scheme Shareholding		Post-Scheme Shareholding	
		No. of fully paid up equity shares held	% shareholding	No. of fully paid up equity shares held	% shareholding
1.	Mr. Nitinbhai Patel	21,74,400	51.16%	NA	NA
2.	Mr. Vashistha Patel	9,13,800	21.50%	NA	NA
3.	Mrs. Hemanginiben Patel	8,11,800	19.10%	NA	NA
4.	Mrs. Amulaben Patel	3,50,000	8.24%	NA	NA
	<b>Total</b>	<b>42,50,000</b>	<b>100%</b>	<b>NA</b>	<b>NA</b>

Note: Upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up and shares of SBFM shall get cancelled and shares of SBFF shall be issued to the shareholders of SBFM

- ii. The Pre-Scheme and Post-Scheme shareholding pattern of SBFF (based on shareholding data as on 31<sup>st</sup> March 2024) is as follows:

Sr. No.	Category of shareholder	Pre-Scheme Shareholding		Post-Scheme Shareholding	
		No. of fully paid up equity shares held	% shareholding	No. of fully paid up equity shares held	% shareholding
1.	Mr. Nitinbhai Patel	11,03,890	44.27%	13,93,085	45.54%
2.	Mr. Vashistha Patel	8,41,470	33.75%	9,63,005	31.48%
3.	Mrs. Hemanginiben Patel	5,48,140	21.98%	6,56,109	21.45%
4.	Mrs. Amulaben Patel	-	-	46,550	1.52%
	<b>Total</b>	<b>24,93,500</b>	<b>100%</b>	<b>30,58,749</b>	<b>100%</b>

- iii. The Pre-Scheme and Post-Scheme shareholding pattern of YSF (based on shareholding data as on 31<sup>st</sup> March 2024) is as follows:

Sr. No.	Category of shareholder	Pre-Scheme Shareholding		Post-Scheme Shareholding	
		No. of fully paid up equity shares held	% shareholding	No. of fully paid up equity shares held	% shareholding
1.	Mr. Nitinbhai Patel	5,000	25.00%	76,83,685	45.52%

2.	Mr. Vashistha Patel	5,000	25.00%	53,13,084	31.48%
3.	Mrs. Hemanginiben Patel	5,000	25.00%	36,21,473	21.45%
4.	Mrs. Amulaben Patel	5,000	25.00%	2,61,584	1.55%
	<b>Total</b>	<b>20,000</b>	<b>100%</b>	<b>1,68,79,826</b>	<b>100%</b>

**XIV. Auditors Certificate on conformity of accounting treatment in the Scheme with Accounting Standards**

The Statutory Auditors of SBFM, SBFF and YSF have confirmed that the accounting treatment proposed in the Scheme is in accordance with the applicable accounting standards specified under Section 133 of the Companies Act, 2013 and other generally accepted accounting principles.

**XV. Valuation report**

The Valuation Report dated 26<sup>th</sup> April 2024, issued by M/s RBSA Valuation Advisors LLP, Registered Valuer, describing, inter-alia, the methodology adopted by them in arriving at the fair value and the share exchange ratio for the amalgamation of SBFM into SBFF and demerger of Real Estate Business Undertaking of SBFF into YSF.

Considering the nature of the transactions & parties involved the Scheme, the Valuer has based its valuation on Discounted Cash Flow method and Comparable Companies multiple methods, for valuation of SBFF and SBFM, by assigning appropriate weightages. The Valuer has based its valuation on Adjusted NAV method for valuing YSF as it had marginal business operations in the past.

The Share Exchange Ratio has been arrived at on the basis of a relative equity valuation of the businesses based on the methodologies explained in the Valuation Report and various qualitative factors relevant to each business.

The recommendation of the Share Exchange Ratio has been approved by the Board of the SBFM, SBFF and YSF. The report is attached as **Annexure I**. Further, the valuation report is available for inspection at registered office of the company.

**XVI. Pending investigation/ prosecution proceedings**

No investigation or prosecution proceedings have been instituted or are pending against the Transferor Company, the Transferee Company or the Resulting Company and its officers under the provisions of the Companies Act, 2013 and the rules made there under and/or erstwhile provisions of Companies Act, 1956. Further, no winding up petitions have been admitted or filed against the Transferor Company or the Transferee Company or the Resulting Company.

**XVII. Approvals and intimations in relation to the Scheme**

- i. The Transferor Company, the Transferee Company & the Resulting Company have made joint application before the Hon'ble National Company Law Tribunal, Ahmedabad Bench for the sanction of the Composite Scheme of Arrangement under Sections 230 to 232 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
- ii. The Transferor Company, the Transferee Company & the Resulting Company are required to send notice to concerned Registrar of Companies, Central Government (Regional Director), Official Liquidator (in case of Transferor Company), Income tax authorities and other sectoral regulators, if any for their representation/approval to the Scheme.

- iii. The Companies (SBFM, SBFF and YSF) are in the process of filing a copy of the Scheme with the Registrar of Companies, Ahmedabad in Form No. GNL-1.
- iv. The Scheme is subject to approval by majority in number representing three-fourth in value of the Unsecured Creditors, of the Applicant Company, voting in person or by proxy, in terms of Sections 230-232 of the Act.
- v. On the Scheme being approved by the Unsecured creditors, the SBFM, SBFF and YSF shall file a joint petition with the Hon'ble National Company Law Tribunal, Ahmedabad Bench for sanction of the Scheme under Sections 230-232 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions of the Act.

#### **XVIII. Inspection of Documents**

The following documents will be available for obtaining extracts from or for making or obtaining copies or for inspection by the unsecured creditors of the Company at the registered office of the Company on any working day up to the date of the Meeting between 10.00 a.m. and 5.00 p.m. (except Saturdays, Sundays and public holidays):

- a) Copy of the Company Application No. CA (CAA)/26(AHM)2024 along with documents filed with the National Company Law Tribunal, Ahmedabad Bench;
- b) Copy of the Order dated 30<sup>th</sup> July 2024 of the National Company Law Tribunal, Ahmedabad Bench passed in Company Application No. CA (CAA)/26(AHM)2024 directing to issue notice to convene meeting of the Unsecured Creditors of SBFF;
- c) Copy of the Composite Scheme of Arrangement between Shri Bhagwati Flour Mills Private Limited and Shree Bhagwati Flour and Foods Private Limited and Yellow Soul Foods Private Limited and their respective shareholders;
- d) Copy of the Memorandum and Articles of Association of SBFF, SBFM and YSF;
- e) Copy of the Audited Standalone Financial Statement of SBFF and SBFM for the financial year ending 31<sup>st</sup> March 2024 and Audited Standalone Financial Statement of YSF for the financial year ending 31<sup>st</sup> March 2023;
- f) Copy of the Unaudited Standalone Financial Statements of YSF for the year ending on 31<sup>st</sup> March 2024;
- g) Copy of the extracts of the Board Resolution dated 26<sup>th</sup> April 2024 of SBFF, SBFM and YSF, approving the Scheme;
- h) Copy of certificate issued on 26<sup>th</sup> April 2024 by M Hawa & Associates, Chartered Accountants, the Statutory auditors of SBFF and SBFM certifying that the accounting treatment proposed in the Composite Scheme of Arrangement is in conformity with the provisions of the Accounting Standards prescribed under Section 133 of the Companies Act, 2013;
- i) Copy of certificate issued on 26<sup>th</sup> April 2024 by A.K. Shah & Associates, Chartered Accountants, the Statutory auditors of YSF certifying that the accounting treatment proposed in the Composite Scheme of Arrangement is in conformity with the provisions of the Accounting Standards prescribed under Section 133 of the Companies Act, 2013; and
- j) Valuation Report dated 26<sup>th</sup> April 2024 obtained from RBSA Advisors LLP, a Registered Valuer.

The electronic copy of Notice will be available for inspection on the website of the Company at [www.bhagwatiexports.com](http://www.bhagwatiexports.com)

Based on the above and considering the rationale and benefits, in the opinion of the Board, the Scheme will be of advantage to, beneficial and in the interest of SBFF, SBFM and YSF, its shareholders, creditors and other stakeholders and the terms thereof are fair and reasonable. The Board of Directors of SBFF recommend the Scheme for approval of the unsecured creditors.

The Directors and KMPs, as applicable, of SBFF, SBFM and YSF, and their relatives do not have any concern or interest, financially or otherwise, in the Scheme except as shareholders & unsecured creditors as mentioned in this statement.

**Date: 5<sup>th</sup> August 2024**

**Place: Ahmedabad**

**Sd/-**

**Mr. Mukesh Khandwala, Chartered Accountant  
Chairperson appointed by Tribunal for the Meeting**

**Registered Office:**

Shree Bhagwati Flour and Foods Private Limited

CIN: U15319GJ1994PTC021888

Survey No 430, Moriya Bavla,

Sarkhej Road, Ahmedabad,

Gujarat – 380 001.

Website: [www.bhagwatiexports.com](http://www.bhagwatiexports.com)

E-mail: [contact.sbffpl@gmail.com](mailto:contact.sbffpl@gmail.com)

Tel.: +91 957400 8405/8415

COMPOSITE SCHEME OF ARRANGEMENT

BETWEEN

SHRI BHAGWATI FLOUR MILLS PRIVATE LIMITED

AND

SHREE BHAGWATI FLOUR & FOODS PRIVATE LIMITED

AND

YELLOW SOUL FOODS PRIVATE LIMITED

AND

THEIR RESPECTIVE SHAREHOLDERS

UNDER SECTIONS 230-232 OF THE COMPANIES ACT, 2013 AND OTHER APPLICABLE PROVISIONS

AND RULES FRAMED THEREUNDER

**PREAMBLE**

This Scheme (*as defined hereinafter*) is presented under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable rules made thereunder for (i) amalgamation of Shri Bhagwati Flour Mills Private Limited (hereinafter referred as "Transferor Company" or "SBFM") with Shree Bhagwati Flour & Foods Private Limited (hereinafter referred as "Transferee Company" or "SBFF") (ii) demerger of that "Real Estate Business Undertaking" from SBFF ("Demerged Company"), and transfer and vesting thereof into Yellow Soul Foods Private Limited ("Resulting Company" or "YSF"). In addition, this Scheme also provides for various other matters consequential or otherwise integrally connected herewith.

*(For the sake of convenience Transferor Company, Transferee Company and Resulting Company are hereinafter collectively referred to as "Companies".)*

Shree Bhagwati Flour and Foods Private Limited ("Transferee Company" or "Demerged Company" or "SBFF") was incorporated on 25<sup>th</sup> April 1994 as a public company in the State of Gujarat in accordance with the provisions of the Companies Act, 1956 under the name and style Shree Bhagwati Flour and Foods Limited. Subsequently, the company became a private limited company and the name was changed to its present name Shree Bhagwati Flour and Foods Private Limited vide fresh certificate consequent on conversion on 27<sup>th</sup> March 2002. The registered office of SBFF is situated at Survey No 430, Moriya Bavla Sarkhej Road, Ahmedabad, Gujarat – 380001. SBFF is engaged in processing, manufacturing, exporting and private labelling of varied flours, spices, pulses, snacks, etc. and a whole range of food items and other ingredients. The corporate identity number of the Transferee Company is U15319GJ1994PTC021888. The PAN of the Transferee Company is AAGCS5920E and e-mail ID of the authorised representative is contact.sbffpl@gmail.com. The equity shares of the Transferee Company are not listed on any of the stock exchanges in India.

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Shri Bhagwati Flour Mills Private Limited ("Transferor Company" or "SBFM") was incorporated on 11<sup>th</sup> March 1992 as a private company in the State of Gujarat in accordance with the provisions of the Companies Act, 1956 under the name and style Shri Bhagwati Flour Mills Private Limited. Subsequently, the company became a public company and the name was changed to Shri Bhagwati Flour Mills Limited vide fresh certificate issued consequent to change in name on 4<sup>th</sup> April 1995. Further, the company became a private company and the name was changed to its present name, Shri Bhagwati Flour Mills Private Limited vide fresh certificate issued consequent to conversion on 27<sup>th</sup> March 2002. The registered office of SBFM is situated at Siddhesweri Estate, Near AMTS Bus Stand, Naroda, Ahmedabad, Gujarat – 382325. SBFM is engaged in the manufacturing of besan, atta, maida and sooji flour processing with well-established distribution network and strong brand presence of 'Gaay Chhap' and 'Uttam' in India. The corporate identity number of the Transferor Company is U15310GJ1992PTC017267. The PAN of the Transferor Company is AAACB8907E and e-mail ID of the authorised representative is contact.sbfmpl@gmail.com. The equity shares of the Transferor Company are not listed on any of the stock exchanges in India.

Yellow Soul Foods Private Limited ("Resulting Company" or "YSF") was incorporated on 16<sup>th</sup> June 2022 as a private company in the State of Gujarat in accordance with the provisions of the Companies Act, 2013. The registered office of YSF is situated at GF 3, Parisima, Opp IFC Bhavan, Opp Vaishali Complex, CG Road, Ellisbridge, Ahmedabad, Gujarat – 380006. YSF was incorporated to carry out the business of manufacturing, processing, trading in various food products. The corporate identity number of the Resulting Company is U15400GJ2022PTC132962. The PAN of the Resulting Company is AABCY5477H and e-mail ID of the authorised representative is yellowsoulfoods2022@gmail.com. The equity shares of the Resulting Company are not listed on any of the stock exchanges in India.

#### RATIONALE OF THE SCHEME

The proposed scheme deals with amalgamation of the Transferor Company with the Transferee Company and upon such amalgamation, demerger of Real Estate Business Undertaking from the Demerged Company into the Resulting Company. The proposed Scheme would be in the best interest of the Companies and their respective shareholders, employees, creditors, lenders and other stakeholders as the proposed reorganisation pursuant to this Scheme is expected, inter alia, to yield advantages as set out below:

a) Amalgamation of the Transferor Company and the Transferee Company:

- Both companies, viz. the Transferor Company and the Transferee Company are engaged in similar line of business and are subject to same industry risk. Hence consolidation of all operating businesses under a single entity will simplify the existing group structure;
- Focused operational efforts would assist in realizing synergies in terms of compliance, governance, administration and costs;
- Combined business will experience and derive synergies in the operation, administration, supply chain management, resource planning, productivity and optimal utilization of existing resources;

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- Greater efficiency in cash management and access to cash flow generated by the combined business which can be deployed more efficiently to maximize shareholder value;
  - The Transferee Company will gain the benefit of improved organizational capability and leadership which will help it to compete successfully in the industry.
- b) Demerger and vesting of the Real Estate Business Undertaking, from the Demerged Company to the Resulting Company:
- Enable segregation of each business segment so as to facilitate the operations of carved out business with greater focus and tailor-made strategies for operations and growth;
  - Enable the attribution of appropriate risk and valuation based on the risk-return profile of business; and
  - Provide greater visibility and better opportunities for individual business to seek potential investors and unlock value for all stakeholders.

#### PARTS OF THE SCHEME

The Scheme is divided into following parts:

1. **Part A**, which sets forth the introduction to the Scheme, the definitions, interpretations and share capital of the Companies;
2. **Part B** –
  - a) **Section I** - deals with the amalgamation of the Transferor Company with the Transferee Company and issue of consideration by the Transferee Company to the shareholders of the Transferor Company;
  - b) **Section II** - deals with the demerger of the Real Estate Business Undertaking of the Demerged Company into the Resulting Company and issue of consideration by the Resulting company to the shareholders of the Demerged Company; and
3. **Part C**, which sets forth the general terms and conditions applicable to this Scheme and the dissolution of the Transferor Company.

#### TREATMENT OF THE SCHEME FOR THE PURPOSES OF INCOME TAX OF ACT, 1961

The amalgamation of the Transferor Company with the Transferee Company pursuant to Section I of Part B of 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. If any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income Tax Act, 1961, at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income Tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income Tax Act, 1961. Such modifications will however not affect the other parts of the Scheme.

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The demerger of Real Estate Business Undertaking from Demerged Company to Resulting Company pursuant to Section II of Part B of this Scheme shall take place with effect from the Appointed Date and shall be in accordance with provisions relating to "Demerger" as defined under Section 2(19AA) of the Income-tax Act, 1961. If any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section of the Income Tax Act, 1961, at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, the provisions of the said Section of the Income Tax Act, 1961, shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the Income Tax Act, 1961. Such modifications will however not affect the other parts of the Scheme.

#### PART A - DEFINITIONS AND SHARE CAPITAL

##### 1. DEFINITIONS

In this Scheme, unless inconsistent with the subject or context, in addition to the terms defined elsewhere in this Scheme, the following capitalised terms shall have the meaning set out below:

- 1.1. "Act" or "the Act" means the Companies Act, 2013, the rules and regulations made thereunder and shall include any statutory modifications, amendments or re-enactment thereof for the time being in force;
- 1.2. "Applicable Law" means relevant and applicable central, state and local laws of the Republic of India, which includes applicable statutes, laws, regulations, ordinances, rules, judgements, orders, decrees, clearances, approvals, directives, guidelines, requirements or any similar form of determination by or decision of any Governmental Authority, whether in effect as of the date on which this Scheme has been approved by the Board of the companies concerned, or at any time thereafter;
- 1.3. "Appointed Date" means 1<sup>st</sup> April 2024 or such other date as may be fixed or approved by the National Company Law Tribunal or such other competent authority;
- 1.4. "Board" or "Board of Directors" means the respective Board of Directors of the Companies, as the case may be, and shall include a committee duly constituted and authorised thereby for the purpose of matters pertaining to the Scheme and / or any other consequential or incidental matter in relation thereto;
- 1.5. "Companies" means SBFF, SBFM and YSF collectively;
- 1.6. "Effective Date" means the last of the dates on which all the conditions and matters referred to in Clause 31 of the Scheme occur or have been fulfilled or waived in accordance with this Scheme. References in this Scheme to date of 'coming into effect of the Scheme' or 'effectiveness of the Scheme' shall mean the Effective Date;
- 1.7. "Encumbrance" or to "Encumber" means: (i) any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance or interest of any kind securing, or conferring any priority of payment in respect of any obligation of any Person, including any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under applicable law; (ii) a contract to give or refrain from giving any

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of the foregoing; (iii) any voting agreement, interest, option, right of first offer, refusal or transfer restriction in favour of any person; and (iv) any adverse claim as to title, possession or use and the term "Encumber" shall be construed accordingly;

- 1.8. "Real Estate Business" means that business segment of Demerged Company that is engaged in the buying, developing real estate properties or otherwise, with the end objective to either use, manage, sell or dispose such property or provide it on short-term or long-term lease or on lease and license basis or otherwise;
- 1.9. "Real Estate Business Undertaking" means the business, undertakings, activities, operations and properties, of whatsoever nature and kind and wheresoever situated, forming part of the Real Estate Business of the Demerged Company as a going concern, including assets and liabilities received upon amalgamation of Transferor Company which relates to such Real Estate Business but not limited to, the following:
- (a) all immovable properties and rights thereto i.e. land together with the buildings and structures standing thereon (whether freehold, leasehold, leave and licensed, right of way, tenancies or otherwise) including roads, drains and culverts, bunk house, civil works, foundations for civil works, buildings, warehouses, offices, etc., which immovable properties and all documents (including panchnamas, declarations, receipts) of title, rights and easements in relation thereto and all rights, covenants, continuing rights, title and interest, benefits and interests of rental agreements for lease or licence or other rights to use of premises, in connection with the said immovable properties;
  - (b) all assets, as are movable in nature, whether present or future or contingent, tangible or intangible, in possession or not, corporeal or incorporeal, in each case, wherever situated (including plant and machinery, capital work in progress, furniture, fixtures, fixed assets, computers, air conditioners, appliances, accessories, office equipment, communication facilities, installations, vehicles, inventories, stock in trade, stores and spares, packing material, raw material, tools and plants), actionable claims, earnest monies and sundry debtors, prepaid expenses, bills of exchange, promissory notes, financial assets, investment and outstanding loans and advances, recoverable in cash or in kind or for value to be received, receivables, funds, cash and bank balances and deposits including accrued interest thereto with Government, semi-Government, local and other authorities and bodies, banks, customers and other persons, the benefits of any bank guarantees, performance guarantees and tax related assets, including but not limited to service tax input credits, CENVAT credits, value added/ sales tax/ entry tax credits or set-offs, advance tax, tax deducted at source and tax refunds;
  - (c) all permits, licenses, permissions, right of way, approvals, clearances, consents, benefits, registrations, rights, entitlements, credits, certificates, awards, sanctions, allotments, quotas, no objection certificates, exemptions, concessions, subsidies, tax deferrals and exemptions and other benefits (in each case including the benefit of any applications made for the same), income tax benefits and exemptions including the right to deduction for the residual period, i.e., for the period remaining as on the Appointed Date out of the total period for which the deduction is available in law, if any, liberties and advantages, approval for commissioning of project and other licenses or clearances granted/ issued/ given by any governmental, statutory or regulatory or local or administrative bodies,

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organizations or companies for the purpose of carrying on the Real Estate Business or in connection therewith including those relating to privileges, powers, facilities of every kind and description of whatsoever nature and the benefits thereto;

- (d) all contracts, agreements, purchase orders/ service orders, operation and maintenance contracts, memoranda of understanding, lease/ licence agreements, tenancy rights, agreements/ panchnamas for right of way, agreement with customers, purchase and other agreements with the supplier/ manufacturer of goods/ service providers, other arrangements, undertakings, deeds, bonds, schemes, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether vested or potential and written, oral or otherwise and all rights, title, interests, claims and benefits thereunder;
- (e) all intellectual property rights, applications (including any hardware, software, licenses), registrations, project designs, approvals, permits, permissions, incentives, privileges, confidential information and other benefits (in each case including the benefit of any applications made for the same) and all such rights of whatsoever description and nature;
- (f) all rights to use and avail telephones, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, registrations, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by Demerged Company forming part of the Real Estate Business and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by Demerged Company;
- (g) all books, records, files, papers, software licenses (whether proprietary or otherwise), test reports, drawings, manuals, data, databases, catalogues, quotations, lists of present and former customers and suppliers including service providers, other customer information, customer credit information, customer/ supplier pricing information, and all other books and records, whether in physical or electronic form;
- (h) all debts, borrowings, obligations, duties and liabilities, both present and future (including deposits, 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 Indian rupees or foreign currency, whether provided for or not in the books of account or disclosed in the balance sheet of the Demerged Company forming part of the Real Estate Business;
- (i) the employees forming part of the Real Estate Business; and
- (j) all legal or other proceedings, if any, of whatsoever nature that form part of the Real Estate Business.

1.10. "Registrar of Companies" means the Registrar of Companies, Ahmedabad having jurisdiction over the Companies;



- 1.11. **"Resulting Company"** or **"YSF"** means Yellow Soul Foods Private Limited, a company incorporated on 16<sup>th</sup> June 2022 under the provisions of Companies Act, 2013 and having its registered office at GF 3, Parisima, Opp IFC Bhavan, Opp Vaishali Complex, CG Road, Ellisbridge, Ahmedabad, Gujarat – 380 006. The corporate identity number of the Resulting Company is U15400GJ2022PTC132962. The PAN of the Resulting Company is AABCY5477H and e-mail ID of the authorised representative is contact.yspl@gmail.com;
- 1.12. **"Scheme"** or **"the Scheme"** or **"this Scheme"** or **"Scheme of Arrangement"** means this Composite Scheme of Arrangement in its present form as submitted to the Tribunal or this Scheme with such modification(s), if any made, as per Clause 30 of the Scheme or such other modifications / amendments as the Tribunal may direct;
- 1.13. **"Transferor Company"** or **"SBFM"** means Shri Bhagwati Flour Mills Private Limited, a company incorporated on 11<sup>th</sup> March, 1992 under the provisions of Companies Act, 1956 and having its registered office at Siddheswari Estate, Near AMTS Bus Stand, Naroda, Ahmedabad, Gujarat – 382 325. The corporate identity number of the Transferor Company is U15310GJ1992PTC017267. The PAN of the Transferor Company is AAACB8907E and e-mail ID of the authorised representative is contact.sbfmpl@gmail.com;
- 1.14. **"Transferee Company"** or **"Demerged Company"** or **"SBFF"** means Shree Bhagwati Flour and Foods Private Limited, a company incorporated on 25<sup>th</sup> April, 1994 under the provisions of Companies Act, 1956 and having its registered office at Survey No 430, Moriya Bavla Sarkhej Road, Ahmedabad, Gujarat – 380 001. The corporate identity number of the Transferee Company is U15319GJ1994PTC021888. The PAN of the Transferee Company is AAGCS5920E and e-mail ID of the authorised representative is contact.sbffpl@gmail.com;
- 1.15. **"Tribunal"** or **"NCLT"** means the National Company Law Tribunal as constituted and authorised as per the provisions of the Act for approving any Scheme of Amalgamation, Scheme of Arrangement, any compromise or reconstruction of companies under Sections 230 to 232 of the Companies Act, 2013 and includes in particular the Ahmedabad Bench of National Company Law Tribunal under whose jurisdiction, the Companies to the Scheme fall;
- 1.16. **"Undertaking"** means the entire business undertaking of the Transferor Company, on a going concern basis, and shall include the following, without limitation:
- a) 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, whether situated in India or abroad, including, without limitation, plant and machinery, equipment, land, buildings and structures, warehouses, stores, offices, residential and other premises (including rights in leasehold land and buildings), capital work-in-progress, furniture, fixtures, office equipment, computers, appliances, accessories, 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), cash equivalents, contingent rights or benefits, benefits of any deposits, 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),

hire purchase contracts and assets, lending contracts, receivables and liabilities related thereto, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, tenancies in relation to the office and/or residential properties for the employees or other persons, vehicles, guest houses, share of any joint assets, and other facilities, 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 kinds (including arrangements with suppliers, vendors, customers, distributors, leases, logistics, transport, etc.), terms of trade with various suppliers including incentives and discounts and all other rights, easements, privileges, 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 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;

- b) all permits, quotas, rights, entitlements, licences including but not limited to export license, import license, industrial and other licenses, bids, tenders, municipal and other statutory permissions, approvals including but not limited to right to use and avail electricity connections, water connections, telephone connections, facsimile connections, telexes, e-mail, internet, leased line connections and installations and all other rights, title, interest, contracts, and arrangements in any form including those pertaining to brand licences, vendors, store maintenance, housekeeping, security, contract workers, all benefits of all agreements, consents, approvals or powers of every kind, nature and descriptions whatsoever, 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 and other benefits including tax holiday, special economic zone related benefits, export oriented units benefits, receivables, and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever, provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Transferor Company;
- c) all advance monies, earnest monies and/or security deposits paid or deemed to have been paid by the Transferor Company;
- d) 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 Indian rupees or foreign currency, whether provided for or not in the books of account or disclosed in the balance sheet of the Transferor Company;
- e) all intellectual property rights, trade and service names and marks, patents, copyrights, designs and other intellectual property rights of any nature whatsoever, books, records,



files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computers programs, manuals, data, catalogues, quotations, sales and advertising material, standard operating procedures in relation to buying, purchases, merchandising, supply chain, lists and database of present and former customers, vendors and suppliers, other customer information, customer credit information, customer pricing information, customer loyalty program including customer insights and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Company;

- f) all contracts, agreements, purchase orders/ service orders, operation and maintenance contracts, memoranda of understanding, memoranda of undertakings, memoranda of agreements, lease/ licence agreements, tenancy rights, agreements/ panchnamas for right of way, agreement with customers, purchase and other agreements with the supplier/ manufacturer of goods/ service providers, other arrangements, undertakings, deeds, bonds, schemes, insurance covers and claims, clearances and other instruments of whatsoever nature and description, whether vested or potential and written, oral or otherwise and all rights, title, interests, claims and benefits thereunder;
- g) all rights to use and avail telephones, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, registrations, engagements, arrangements of all kind, privileges and all other rights, easements, liberties and advantages of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in control of or vested in or granted in favour of or enjoyed by Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or control of or vested in or granted in favour of or held for the benefit of or enjoyed by Transferor Company; and
- h) all books, records, files, papers, software licenses (whether proprietary or otherwise), test reports, drawings, manuals, data, databases, catalogues, quotations, sales and advertising materials, dossiers, lists of present and former customers and suppliers including service providers, other customer information, customer credit information, customer/ supplier pricing information, and all other books and records, whether in physical or electronic form.

1.17. All terms and words used but not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and other applicable laws, rules, regulations, bye-laws, as the case may be, or any statutory modification or re-enactment thereof for the time being in force;

In this Scheme, unless the context otherwise requires:

- i. A reference to an article, clause, section, paragraph or schedule is, unless indicated to the contrary, a reference to an article, clause, section, paragraph or schedule of this Scheme;
- ii. The headings and bold typeface are only for convenience and shall be ignored for the purposes of interpretation;



- iii. The singular shall include the plural and vice versa; and references to one gender include all genders;
- iv. Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms;
- v. References to a person shall include any individual, firm, body corporate (whether incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representatives' body (whether or not having separate legal personality).

**2. SHARE CAPITAL**

**2.1. Shri Bhagwati Flour Mills Private Limited ("Transferor Company")**

The authorised, issued, subscribed and paid-up share capital of the Transferor Company as on 31<sup>st</sup> March, 2024 is as under:

Particulars	Amount in Rs.
<b><u>Authorised Share Capital</u></b>	
5,000,000 Equity Shares of Rs. 10/- each	50,000,000
<b>Total</b>	<b>50,000,000</b>
<b><u>Issued, Subscribed and Paid-up share capital</u></b>	
4,250,000 Equity Shares of Rs. 10/- each, fully paid up	42,500,000
<b>Total</b>	<b>42,500,000</b>

Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Transferor Company till the date of approval of the Scheme by the Board of the Transferor Company.

The equity shares of the Transferor Company are not listed on any of the stock exchanges in India.

**2.2. Shree Bhagwati Flour & Foods Private Limited ("Transferee Company" or "Demerged Company")**

The authorised, issued, subscribed and paid-up share capital of the Transferee Company as on 31<sup>st</sup> March, 2024 is as under:





Particulars	Amount in Rs.
<b><u>Authorised Share Capital,</u></b>	
3,000,000 Equity Shares of Rs. 10/- each	30,000,000
<b>Total</b>	<b>30,000,000</b>
<b><u>Issued, Subscribed and Paid-up Share Capital</u></b>	
2,493,500 Equity Shares of Rs. 10/- each, fully paid up	24,935,000
<b>Total</b>	<b>24,935,000</b>

Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Transferee Company till the date of approval of the Scheme by the Board of the Transferee Company.

The equity shares of the Transferee Company are not listed on any of the stock exchanges in India.

### 2.3. Yellow Soul Foods Private Limited ("Resulting Company")

The authorised, issued, subscribed and paid-up share capital of Resulting Company as on 31<sup>st</sup> March, 2024 is as under:

Particulars	Amount in Rs.
<b><u>Authorised Share Capital,</u></b>	
20,000 Equity Shares of Rs. 10/- each	200,000
<b>Total</b>	<b>200,000</b>
<b><u>Issued, Subscribed and Paid-up Share Capital</u></b>	
20,000 Equity Shares of Rs. 10/- each, fully paid up	200,000
<b>Total</b>	<b>200,000</b>

Subsequent to the above date, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Resulting Company till the date of approval of the Scheme by the Board of the Resulting Company.

The equity shares of Resulting Company are not listed on any of the stock exchanges in India.

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

- 3.1. Each part of the Scheme set out herein in its present form or with any modification(s) or amendment(s) made under Clause 30 of the Scheme shall, unless otherwise specified, be effective from the Appointed Date but shall be operative from the Effective Date.
- 3.2. Each Section of Part B of the Scheme shall be deemed to have taken effect as specifically provided for, and in the sequence set out, in the Scheme.
- 3.3. Notwithstanding anything contrary contained in this Scheme, for the purposes of Section 232(6) of Companies Act, 2013, the Scheme shall be deemed to come into effect from the Appointed Date as defined under Clause 1.3 of this Scheme and for which, no other date, but the Appointed Date, would be relevant.

**PART B**

**SECTION I**

**AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEREE COMPANY**

**4. TRANSFER AND VESTING OF UNDERTAKING**

- 4.1. Upon the Scheme becoming effective and with effect from the Appointed Date, the entire business and whole of the Undertaking of the Transferor Company including all its properties and assets (whether movable or immovable, tangible or intangible) of whatsoever nature including investments, licenses, permits, quotas, approvals, lease, tenancy rights, permissions, incentives, development of rights, if any, and all other rights, title, interest, contracts, consents, approvals or powers of every kind, nature and descriptions whatsoever and all nature of liabilities shall, under the provisions of Sections 230 to 232 of the Act and pursuant to the orders of the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, and without further act, instrument or deed, be and shall stand transferred to and/or vested in or be deemed to have been and stand transferred to or vested in the Transferee Company as a going concern 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.
- 4.2. Without prejudice to the generality of Clause 4.1 above, upon the coming into effect of this and with effect from the Appointed Date and without any further act, instrument or deed:
  - a) All assets and properties and rights in the immovable properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company including all buildings, warehouses, stores, equipment, structures, offices, all lands (whether freehold or leasehold), and all assets and properties which are acquired / constructed / developed by the Transferor Company on or after the Appointed Date, shall be deemed to be and shall become the assets and properties of the Transferee Company, and shall under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the

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Transferee Company upon the coming into effect of this Scheme pursuant to the provisions of Sections 230 to 232 of the Act.

- b) In so far as the immovable properties held by the Transferor Company are concerned, all the rights and privileges attached thereto of the Transferor Company in the immovable properties shall stand transferred to the Transferee Company automatically without requirement of execution of any further documents for registering the name of the Transferee Company as owner thereof and the regulatory authorities, including Sub-registrar of Assurances or similar authorities by whatever name called may rely on this Scheme along with the copy of the Order passed by the Tribunal, to make necessary mutation entries and changes in the land or revenue records to reflect the name of the Transferee Company as owner of the immovable properties.
- c) In respect of such of the assets and properties forming part of the assets pertaining to the Transferor Company as are movable in nature or incorporeal property or are otherwise capable of transfer by delivery or possession, or by endorsement and/ or novation and/ or delivery, the same shall stand transferred by the Transferor Company upon coming into effect of the Scheme and shall become the assets and properties of the Transferee Company with effect from the Appointed Date without requiring any deed or conveyance for transfer of the same.
- d) In respect of the assets other than those dealt within sub-clause (c) above and forming part of the assets, including but not limited to sundry debts, receivables, bills, credits, loans, advances and deposits, bank balances, investments and deposits with any governmental authority, quasi government, local or other authority or body or with any company or other person pertaining to the Transferor Company, whether recoverable in cash or in kind or for value to be received, the same shall stand transferred to and vested in the Transferee Company without any notice or other intimation to any person in pursuance of the provisions of the Sections 230 to 232 of the Companies Act, 2013, read with other relevant provisions of the Act to the end and intent that the right of the Transferor Company to recover or realise the same stand transferred to the Transferee Company.
- e) All the liabilities including all secured and unsecured debts, liabilities including contingent liabilities, leases, sundry creditors, duties, obligations and undertakings of the Transferor Company of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized for its business activities and operations shall, under the provisions of Sections 230 to 232 of the Act and pursuant to the orders of the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, and without further act, instrument or deed, be and the same shall stand transferred to and vested in or deemed to have been transferred to and vested in the Transferee Company without any further act, instrument or deed, along with any charge, lien, encumbrance or security thereon, and the same shall be assumed to the extent they are outstanding on the Effective Date so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company and further that it shall not be necessary to obtain consent of any third party or other person who is a party to the contract or arrangements by virtue of which such debts,



liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Scheme. Provided that, any reference in the security documents or arrangements entered into by the Transferor Company and under which, the assets of the Transferor Company stand offered as a security, for any financial assistance or obligation, the said reference shall be construed as a reference to the assets pertaining to that of the Transferor Company as are vested in the Transferee Company by virtue of the Scheme. Notwithstanding the aforesaid, in case of secured creditors, approval of secured creditors with requisite majority will be sought by the Transferor and the Transferee Company as may be directed by the Tribunal or any other competent authority as may be applicable.

- f) In so far as the existing security in respect of the loans or borrowings of the Transferor Company and other liabilities relating to the Transferor Company are concerned, such security shall, without any further act, instrument or deed be continued with the Transferee Company. The Transferor Company and the Transferee Company shall file necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.
- g) Where any such debts, loans raised, liabilities, duties and obligations of the Transferor Company or arising after 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.

4.3. The Transferor Company may be entitled to various benefits under incentive schemes and policies under various laws, regulations and notifications. Pursuant to this Scheme, the benefits under all of such schemes and policies shall be transferred to and vest in the Transferee Company and all benefits, entitlements and incentives of any nature whatsoever including tax concessions (not limited to income tax, tax deducted at source, tax holiday, special economic zone related benefits, export oriented units benefits, tax losses, unabsorbed depreciation, fringe benefit tax, sales tax, value added tax (VAT), turnover tax, excise duty, service tax, customs, goods and service tax (GST), minimum alternate tax credit entitlement whether recognized or not, unutilized deposits or credits, benefits under the GST/ VAT / Sales Tax Law, VAT / Sales Tax set off, benefits of any unutilized MODVAT / CENVAT / Service Tax credits / input tax credit under goods and service tax etc. and others) and incentives shall be claimed by the Transferee Company and these shall relate back to the Appointed Date as if the Transferee Company was originally entitled to all benefits under such incentive scheme and policies, subject to continued compliance by the Transferee Company of all the terms and conditions subject to which the benefits under the incentive schemes and policies were made available to the Transferor Company.

4.4. Upon the coming into effect of this Scheme, any privileges, liberties, advantages, etc of whatsoever nature and wheresoever situate 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 shall stand transferred and vested with the Transferee Company.

- 4.5. Upon the coming into effect of this Scheme and till such time that the name of the bank accounts of the Transferor Company has been replaced with that of the Transferee Company, the Transferee Company shall be entitled to maintain and operate the bank accounts of the Transferor Company in the name of the Transferor Company and for such time as may be determined to be necessary by the Transferee. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company.
- 4.6. Upon the coming into effect of this Scheme, all agreements, options, rights, contracts (including any customer, vendor and all contractual and statutory rights in law and equity), entitlements, licenses, permits, permissions, incentives, approvals, registrations, tax deferrals and benefits, subsidies, concessions, exemptions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges and claims as to any patents, trademarks, designs, quota rights, engagements, arrangements, authorities, allotments, security arrangements (to the extent provided herein), put and/or call option agreements, statutory and regulatory permissions, environmental approvals and consents, goods and service tax registrations, or other licenses and consents, benefits of any guarantees, reversions and all other approvals of every kind, nature and description whatsoever relating to the Transferor Company shall stand transferred and vested with the Transferee Company by operation of law and shall remain valid, effective and enforceable on the same terms and conditions.
- 4.7. Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Transferee Company will be entitled to all the trade and service names and marks, brands, patents, copyrights, licenses, marketing authorizations, approvals and marketing tangibles of the Transferor Company including registered and unregistered trademarks along with all rights of commercial nature including those attached to goodwill, title, interest, labels and brands registrations, copyrights, trademarks and all such other industrial or intellectual rights of whatsoever nature, and the Transferee Company may take such actions as may be necessary and permissible to get the same transferred and /or registered in the name of the Transferee Company.
- 4.8. Upon the coming into effect of this Scheme, amounts claimed by the Transferor Company whether or not so recorded in the books of account of the Transferor Company from any Governmental Authority, under any law, act or rule in force, as refund of any security deposits, tax, duty, cess or of any excess payment shall stand transferred with the Transferee Company.
- 4.9. Upon the coming into effect of this Scheme, right to any claim not preferred or made by the Transferor Company in respect of any refund of tax, duty, cess, security deposit or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon, with regard to any law, act or rule or scheme made by the Governmental Authority, and in respect of set-off, carry forward of unabsorbed losses, carry forward of unabsorbed depreciation, deferred revenue expenditure, deduction, exemption,

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rebate, allowance, amortization benefit, etc. under the Income Tax Act, 1961, or any other or like benefits under the said acts or under and in accordance with any law or act, shall stand transferred and vested with the Transferee Company.


- 4.10. The vesting of the entire undertaking of the Transferor Company, as aforesaid, shall be subject to the Encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such Encumbrances shall be confined only to the relevant assets of Transferor Company or part thereof on or over which they are subsisting on and no such Encumbrances shall extend over or apply to any other asset(s) of Transferee Company. Any reference in any security documents or arrangements (to which Transferor Company is a party) related to any assets of Transferor Company shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of Transferee Company. Similarly, Transferee Company shall not be required to create any additional security over assets vested under this Scheme for any loans, debentures, deposits or other financial assistance already availed of /to be availed of by it, and the Encumbrances in respect of such indebtedness of Transferee Company shall not extend or be deemed to extend or apply to the assets so vested; provided, however, that the foregoing shall not be applicable to any security or Encumbrance that the Transferor Company is required to create (subject to receipt of any Permits) over its assets as on the Effective Date.

## 5. CONSIDERATION FOR AMALGAMATION

- 5.1. Upon the coming into effect of the Scheme and in consideration of the transfer and vesting of the Undertaking of the Transferor Company in the Transferee Company in terms of the Scheme, the Transferee Company shall, without any further application, act, instrument or deed, issue and allot to each member of the Transferor Company, whose name is registered in the Register of Members of the Transferor Company on the Effective Date or his/her/its legal heirs, executors or successors as the case may be, shares in the Transferee Company, in the following ratio:

*133 (One Hundred and Thirty-Three) fully paid-up Equity Shares of face Value of Rs. 10 (Ten) each of Transferee Company for every 1,000 (One Thousand) fully paid-up Equity Shares of face Value Rs. 10 (Ten) each held in Transferor Company.*

- 5.2. Upon the Scheme becoming effective, the issued, subscribed and paid-up share capital of the Transferee Company shall stand suitably increased consequent upon the issuance of new equity shares in accordance with this Clause. It is clarified that no special resolution under section 62 of the Companies Act, 2013 or any other applicable provisions of the Act shall be required to be passed by the Transferee Company separately in a general meeting for issue of 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 equity shares of the Transferee Company to the members of the Transferor Company in the aforesaid share exchange ratio.
- 5.3. The share certificates held by the shareholders of the Transferor Company shall automatically stand cancelled without any necessity of them being surrendered to the Transferee Company.



- 5.4. The shares issued to the members of the Transferor Company by the Transferee Company pursuant to this Clause shall be issued in dematerialised form by the Transferee Company, unless otherwise notified in writing by the members of the Transferor Company to the Transferee Company on or before such date as may be determined by the Board of Directors of the Transferee Company or a committee thereof. In the event that such notice has not been received by the Transferee Company in respect of any of the members of the Transferor Company, the shares shall be issued to such members in dematerialised form provided that the members of the Transferor Company shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required. It is only thereupon that the Transferee Company shall issue and directly credit the dematerialised shares to the account of such member with the shares of the Transferee Company. In the event that the Transferee Company has received notice from any member that shares are to be issued in physical form or if any member has not provided the requisite details relating to his/her/its account with a depository participant or other confirmations as may be required, then the Transferee Company shall issue shares in physical form to such member.
- 5.5. The equity shares to be issued and allotted under the Scheme by the Transferee Company as above shall be subject to the Memorandum of Association and Articles of Association of the Transferee Company. The equity shares issued by the Transferee Company shall rank Pari passu in all aspects, including dividends, voting and other rights, with the existing equity shares of the Transferee Company. In case the number of new shares to be issued by the Transferee Company pursuant to this Scheme is a fractional number, it shall be rounded off to the nearest whole number. The Board of Directors of the Transferee Company shall, if and to the extent required, apply for and obtain any approvals from concerned Government / Regulatory authorities for the issue and allotment of equity shares pursuant to this Scheme.
- 5.6. The approval of this Scheme by the shareholders of the Companies involved, under Sections 230 to 232 of the Act shall be deemed to constitute approvals under Sections 13, 14, and other applicable provisions of the Act and any other consents and approvals required in this regard. If there are any pending transfers, whether lodged or outstanding, of any shareholders of the Transferor Company, the Board of Directors of the Transferee Company shall be empowered in appropriate cases, prior to or even subsequent to the Effective Date, to effectuate such a transfer in the records of the Transferor Company, as if such changes in the registered holder were operative as on the Effective Date, in order to remove any difficulties arising to the holder/transferee of the shares in the Transferor Company and in relation to the equity shares to be issued by the Transferee Company after this Scheme becoming effective.
- 5.7. Subject to the combination of authorised capital provided in Clause 12, the Transferee Company shall before allotment of the equity shares in term of the Scheme, increase, reclassify, and/or restructure its authorized share capital in such manner and by such amount as may be necessary to satisfy its obligation under the provisions of the Scheme in compliance with the applicable provisions of the Act and the Rules thereunder.



## 6. ACCOUNTING TREATMENT

Upon the Scheme becoming effective and with effect from the Appointed Date, the Transferee Company shall account for the transfer and vesting of the assets, liabilities and reserves of the Transferor Company in its books of accounts as a common control business combination as per "Pooling of Interest Method" prescribed under the Indian Accounting Standard Ind-AS 103 - "Business Combination" notified under Section 133 of the Act read with relevant rules issued thereunder and other applicable Accounting Standards provided under the Act, specifically:

- 6.1. All the assets, liabilities and reserves in the books of the Transferor Company shall stand transferred to and vested in the Transferee Company pursuant to the Scheme and shall be recorded at their carrying amounts as appearing in the books of the Transferor Company, from the earliest period presented in the financial statements i.e. the financial information in the financial statements in respect of prior periods will be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.
- 6.2. The identity of the reserves shall be preserved and shall appear in the financial statements of the Transferee Company in the same form and manner in which they appeared in the financial statements of the Transferor Company.
- 6.3. The Transferee Company shall credit to its share capital account, the aggregate face value of the shares issued by it pursuant to Clause 5.1 of this Scheme.
- 6.4. The difference, if any, between the amount recorded as share capital issued and the amount of share capital of the transferor shall be transferred to Capital Reserve in the financial statements of the Transferee Company.
- 6.5. The inter-company loans, advances, deposits, balances or other obligations between the Transferee Company and the Transferor Company, if any appearing in the books of the Transferee Company shall stand cancelled and there shall be no further obligation in that behalf.
- 6.6. The Transferee Company shall record in its books of account, all transactions of the Transferor Company in respect of assets, liabilities, income and expenses, from Appointed Date to the Effective Date.
- 6.7. In case of any differences in accounting policies between the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company shall prevail to ensure that the financial statements reflect the financial position based on consistent accounting policies.
- 6.8. Notwithstanding the above accounting treatment, the Board of Directors of the Transferee Company are authorized to account for any of these transactions / balances in any manner whatsoever, as may be deemed fit, in accordance with applicable Indian Accounting Standards notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and generally accepted accounting principles adopted in India.





- 6.9. Transferor Company will cease to exist pursuant to the Scheme coming into effect and consequently no accounting will be required in the books of Transferor Company. Accordingly, no accounting treatment in the books of the Transferor Company is stated in this Scheme.

## 7. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

With effect from the Appointed Date and up to and including the Effective Date:

- 7.1. The Transferor Company shall carry on and deemed to have carried on its business and activities and shall stand possessed of its entire business and undertakings, in trust for the Transferee Company and shall account for the same to the Transferee Company.
- 7.2. All profits or income arising or accruing to the Transferor Company and losses and expenditure arising or incurred by it (including taxes, if any, accruing or paid in relation to any profits or income but not limited to advance tax, tax deducted at source, minimum alternate tax, dividend distribution tax, securities transaction tax, taxes withheld/paid in a foreign country, etc.) for the period commencing from the Appointed Date shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure (including taxes), as the case maybe, of the Transferee Company.
- 7.3. The Transferor Company shall carry on its Business with reasonable diligence and business prudence and in the same manner as it had been doing hitherto, and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for themselves or on behalf of its respective affiliates or associates or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal in any of its properties/assets, except where the same is expressly provided in this Scheme or it is in the ordinary course of business or if prior written consent of the Transferee Company is obtained.
- 7.4. Except by consent of the Transferee Company, or except pursuant to any prior commitment, obligation or arrangement existing or undertaken by the Transferor Company as on the date of sanction of this Scheme by the Board, or except as contemplated in this Scheme, pending sanction of this Scheme, the Transferor Company shall not make any change in its capital structure either by way of any increase (by issue of equity shares, bonus shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, re-organisation or in any other manner, which would have the effect of re- organisation of capital of the Transferor Company.
- 7.5. All taxes (including, without limitation, income tax, minimum alternate tax, central goods and service tax, state goods and service tax of respective states, integrated goods and service tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, CENVAT credit, input tax credit, etc.) paid or payable by the Transferor Company in respect of the operations and/or the profits of the Undertaking before the Appointed Date, shall be on account of the Transferor Company and, insofar as it relates to the tax payment (including, without limitation, income tax, minimum alternate tax, central goods and service tax, state goods and service tax of respective states, integrated goods and service tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.), whether by way of deduction at source, minimum alternate tax credit, dividend distribution tax, advance tax, taxes withheld / paid in foreign country,

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securities transaction tax, or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the Undertaking with effect 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.

- 7.6. The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central / State Government, and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which the Transferee Company may require to carry on the business of the Transferor Company and give effect to the Scheme.

## 8. LEGAL PROCEEDINGS

- 8.1. Any suit, petition, appeal or other proceeding of whatsoever nature and any orders of court, judicial or quasi-judicial tribunal or other governmental authorities enforceable by or against the Transferor Company including without limitation any restraining orders pending before any court, judicial or quasi-judicial tribunal or any other forum, relating to the Transferor Company, including legal and taxation proceedings, whether by or against the Transferor Company, pending as on the Effective Date, shall not abate or be discontinued or in prejudicially affected by reason of the Transferor Company or of any order of or direction passed or issued in the amalgamation proceedings or anything contained in this Scheme, but by virtue of the order sanctioning the Scheme, such legal proceedings shall be continued and any prosecution shall be enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued, prosecuted and/or enforced by or against the Transferor Company, as if this Scheme had not been implemented.
- 8.2. After the Appointed Date and until the Effective Date, the Transferor Company shall defend all legal proceedings, other than in the ordinary course of business, with the advice and instructions of the Transferee Company.
- 8.3. The continuance of the proceedings by or against the Transferee Company shall not affect any transaction or proceeding already completed by the Transferor Company between the Appointed Date and the Effective Date to the end and intent that the Transferee Company accepts all acts, deeds and things done and executed by and/or on behalf of the Transferor Company as acts, deeds and things done and executed by and on behalf of the Transferee Company.

## 9. CONTRACTS, DEEDS, ETC.

With effect from the Appointed Date and upon the Scheme becoming effective,

- 9.1. Subject to the other provisions contained in this Scheme, all applications with regulatory authorities, contracts, deeds, bonds, agreements, letter of intent, insurance policies and other instruments of whatever nature (including any indemnity rights accruing to the Transferor Company) to which, the Transferor Company is a party subsisting or having effect immediately before the Scheme coming into effect shall be in full force and effect against or in favour of the Transferee Company, and may be enforced by or against the Transferee Company as fully and

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effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto.

- 9.2. All permits, quotas, rights, entitlements, privileges, powers, facilities, subsidies, special status and other benefits or privileges (granted by any Government body, local authority or by any other person) of every kind and description of whatsoever nature in relation to the Transferor Company, or to the benefit of which the Transferor Company may be eligible, or having effect immediately before the Effective Date, shall be and remain in full force and effect in favour of or against the Transferee Company, as the case may be, and may be enforced fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a beneficiary or oblige thereto.
- 9.3. Any statutory licences, permissions or approvals or consents required to carry on the 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 Transferor Company therewith in favour of the Transferee Company. The benefit of all such statutory and regulatory permissions, licences, approvals and consents including statutory licences, approvals, permissions or approvals or consents required to carry on in any manner, shall vest in and become available to the Transferee Company pursuant to the Scheme.
- 9.4. The Transferee Company shall enter into and / or issue and / or execute deeds, writings or confirmations or enter into any tripartite agreement, confirmations or novations to which the Transferor Company will, if necessary, also be a party in order to give formal effect to the provisions of this Scheme, if it is so required or if it becomes necessary. The Transferee Company shall be deemed to be authorised to execute any such writings on behalf and in the name of the Transferor Company and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Transferor Company.
- 9.5. The Transferee Company shall be entitled to the benefit of all insurance policies which have been issued in respect of the Transferor Company and the name of the Transferee Company shall be substituted as "insured" in the policies as if the Transferee Company was initially a party thereto.

#### 10. SAVING OF CONCLUDED TRANSACTIONS

The transfer of business, assets, properties and liabilities under Clause 4 above and the continuance of proceedings by or against the Transferee Company under Clause 8 above shall not affect any transaction or proceedings already concluded by the Transferor Company on or after 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 as acts, deeds and things made, done and executed by or on behalf of the Transferee Company in accordance with this Scheme.



**11. STAFF AND EMPLOYEES**

- 11.1. All staff and employees of the Transferor Company in service on the Effective Date shall be deemed to have become staff and employees of the Transferee Company without any interruption / break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Transferee Company shall not be less favourable than those applicable to them with reference to the Transferor Company on the Effective Date. The Transferee Company agrees that for the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of employees of the Transferor Company and such benefits to which the employees of the Transferor Company are entitled in the Transferor Company shall also be taken into account, and the Transferee Company agrees and undertakes to pay the same as and when payable.
- 11.2. It is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity Fund, Superannuation Fund or any other Special Fund or Trusts created or existing for the benefit of the staff and employees of the Transferor Company, if any, shall become the trusts / funds of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such Fund or Funds or in relation to the obligation to make contributions to the said Fund or Funds in accordance with the provisions thereof as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Transferor Company in relation to such Fund or Funds shall become those of the Transferee Company. In the event the Transferee Company has its own funds in respect of any of the Employee Benefit Funds, such contributions and investments shall, subject to the necessary approvals and permissions and at the discretion of the Transferee Company, be transferred to the relevant funds of the Transferee Company and shall be held for the benefit of the concerned employees of the Transferor Company.
- 11.3. In relation to those employees of the Transferor Company for whom the Transferor Company is making contributions to the government provident fund, the Transferee Company shall stand substituted for the Transferor Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye laws, etc. in respect of such employees of the Transferor Company.
- 11.4. The Boards of Directors of the Transferor Company and the Transferee Company shall take such actions and execute or cause to do so and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of this Clause 11.

**12. COMBINATION OF AUTHORISED SHARE CAPITAL**

- 12.1. Upon the coming into effect of the Scheme, the authorised share capital of the Transferor Company will get amalgamated with that of the authorised share capital of the Transferee Company without any further act, instrument or deed on the part of the Transferee Company. The authorised share capital of the Transferee Company will automatically stand increased to that effect upon filing of the requisite forms with the Registrar of Companies and no separate procedure or instrument or deed shall be required to be followed under the Act.
- 12.2. It is hereby clarified that for the purposes of Clause 12 above, the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting the above



amendment or increase in authorised share capital of the Transferee Company, and no further resolution under Section 13, Section 14, Section 61 of the Companies Act 2013 or any other applicable provisions of the Act, would be required to be separately passed.

- 12.3. Filing fees (including registration fees) and stamp duty, if any, paid by the Transferor Company on its authorised share capital shall be set off and be deemed to have been so paid by the Transferee Company on the combined authorised share capital. The Transferee Company shall not be required to pay the stamp duty to the extent set off for its increased authorised share capital and accordingly, the Transferee Company shall be required to pay only the balance fee stamp duty in relation to its increased authorised share capital after setting off the fees and stamp duty already paid by the Transferor Company on its authorised share capital.

### 13. WINDING UP

On the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up and its name shall be struck off from the records of the appropriate Registrar of Companies.

### 14. VALIDITY OF RESOLUTIONS

Upon the 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 have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

### 15. TAXES/DUTIES/CESS ETC.

- 15.1. With effect from the Appointed Date, all income tax paid (including advance tax and self-assessment tax), income tax refund due or receivable, tax deducted at source, minimum alternate tax, carried forward losses, depreciation, capital losses, pending balances of amortizations, tax holiday benefits, incentives, credits (including tax credits), minimum alternate tax credit entitlement, tax losses (if available) etc., under the Income Tax Act, 1961 in respect of any assessment and/or appeal, (whether as per books or as per the Income Tax Act, 1961) and any right including the right to claim refunds, advance tax credits, credit of tax deducted at source, credit of foreign taxes paid/ withheld, etc., if any under Income Tax Act, 1961 and also including applications for rectification, appeals filed with tax authorities of the Transferor Company or other provisions of the Act, without any further act or deed, be transferred to or be deemed to be transferred to the Transferee Company and shall be treated as paid by the Transferee Company and it shall be entitled to claim credit, refund or adjustment for the same as may be applicable.
- 15.2. Upon this Scheme being effective, the Transferor Company and the Transferee Company are expressly permitted to revise and file their respective income tax returns and other statutory

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returns, including tax deducted / collected at source returns, service tax returns, excise tax returns, sales tax/VAT/GST returns, as may be applicable and has expressly reserved the right to make such provision in its returns and to claim refunds or credits etc. if any. Such returns may be revised and filed notwithstanding that the statutory period for such revision and filing may have expired.

#### 16. INTER-SE TRANSACTIONS

- 16.1. Without prejudice to the aforesaid Clauses, 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 and on the coming into effect of this Scheme, the same shall stand cancelled without any further act, instrument or deed.
- 16.2. Further, it is clarified that the above Clause shall have no impact whatsoever on any taxes in the form of income-tax, goods and service tax, service tax, works contract tax, value added tax etc. paid on account of such transactions. The taxes paid shall be deemed to have been paid by or on behalf of the Transferee Company and on its own account and therefore, the Transferee Company will be eligible to claim the credit / refund of the same and is also entitled to revise returns, as may be necessary, to give effect to the same.

### PART B

#### SECTION II

#### DEMERGER OF REAL ESTATE BUSINESS UNDERTAKING FROM DEMERGED COMPANY TO RESULTING COMPANY

#### 17. TRANSFER AND VESTING OF UNDERTAKING

- 17.1. Upon the Scheme becoming effective and with effect from the Appointed Date, the entire Real Estate Business Undertaking of the Demerged Company including all its properties and assets (whether movable or immovable, tangible or intangible) of whatsoever nature including investments, licenses, permits, quotas, approvals, lease, tenancy rights, permissions, incentives, development of rights, if any, and all other rights, title, interest, contracts, consents, approvals or powers of every kind, nature and descriptions whatsoever and all nature of liabilities in relation to Real Estate Business Undertaking, shall, under the provisions of Sections 230 to 232 of the Act and pursuant to the orders of the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, and without further act, instrument or deed, be and shall stand transferred to and/or vested in or be deemed to have been and stand transferred to or vested in the Resulting Company as a going concern so as to become as and from the Appointed Date, the Real Estate Business Undertaking of the Resulting Company by virtue of and in the manner provided in this Scheme.



17.2. Without prejudice to the generality of Clause 17.1 above, upon the coming into effect of this Scheme and with effect from the Appointed Date and without any further act, instrument or deed:

- a) All assets and properties and rights in the immovable properties of the Demerged Company in relation to the Real Estate Business Undertaking as on the Appointed Date, whether or not included in the books of the Demerged Company including all buildings, warehouses, stores, equipment, structures, offices, all lands (whether freehold or leasehold), and all assets and properties which are acquired / constructed / developed by the Demerged Company on or after the Appointed Date, shall be deemed to be and shall become the assets and properties of the Resulting Company, and shall under the provisions of Sections 230 to 232 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Resulting Company upon the coming into effect of this Scheme pursuant to the provisions of Sections 230 to 232 of the Act.
- b) In so far as the immovable properties held by the Demerged Company in relation to the Real Estate Business Undertaking are concerned, all the rights and privileges attached thereto of the Demerged Company in the immovable properties shall stand transferred to the Resulting Company automatically without requirement of execution of any further documents for registering the name of the Resulting Company as owner thereof and the regulatory authorities, including Sub-registrar of Assurances or similar authorities by whatever name called may rely on this Scheme along with the copy of the Order passed by the Tribunal, to make necessary mutation entries and changes in the land or revenue records to reflect the name of the Resulting Company as owner of the immovable properties.
- c) In respect of such of the assets and properties forming part of the assets pertaining to the Real Estate Business of the Demerged Company as are movable in nature or incorporeal property or are otherwise capable of transfer by delivery or possession, or by endorsement and/ or novation and/ or delivery, the same shall stand transferred by the Demerged Company upon coming into effect of the Scheme and shall become the assets and properties of the Resulting Company with effect from the Appointed Date without requiring any deed or conveyance for transfer of the same.
- d) In respect of the assets other than those dealt within sub-clause (c) above and forming part of the assets, including but not limited to sundry debts, receivables, bills, credits, loans, advances and deposits, bank balances, investments and deposits with any governmental authority, quasi government, local or other authority or body or with any company or other person pertaining to the Demerged Company in relation to the Real Estate Business Undertaking, whether recoverable in cash or in kind or for value to be received, the same shall stand transferred to and vested in the Resulting Company without any notice or other intimation to any person in pursuance of the provisions of the Sections 230 to 232 of the Companies Act, 2013, read with other relevant provisions of the Act to the end and intent that the right of the Demerged Company to recover or realise the same stand transferred to the Resulting Company.

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- e) All the liabilities including all secured and unsecured debts, liabilities including contingent liabilities, leases, sundry creditors, duties, obligations and undertakings of the Demerged Company in relation to the Real Estate Business Undertaking, of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized for its business activities and operations shall, under the provisions of Sections 230 to 232 of the Act and pursuant to the orders of the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, and without further act, instrument or deed, be and the same shall stand transferred to and vested in or deemed to have been transferred to and vested in the Resulting Company without any further act, instrument or deed, along with any charge, lien, encumbrance or security thereon, and the same shall be assumed to the extent they are outstanding on the Effective Date so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of the Resulting Company and further that it shall not be necessary to obtain consent of any third party or other person who is a party to the contract or arrangements by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Scheme. Provided that, any reference in the security documents or arrangements entered into by the Demerged Company in relation to the Real Estate Business Undertaking and under which, the assets of the Real Estate Business of the Demerged Company stand offered as a security, for any financial assistance or obligation, the said reference shall be construed as a reference to the assets pertaining to that of the Demerged Company as are vested in the Resulting Company by virtue of the Scheme. Notwithstanding the aforesaid, in case of secured creditors, approval of secured creditors with requisite majority will be sought by the Demerged and the Resulting Company as may be directed by the Tribunal or any other competent authority as may be applicable.
- f) In so far as the existing security in respect of the loans or borrowings of the Demerged Company and other liabilities relating to the Demerged Company are concerned, such security shall, without any further act, instrument or deed be continued with the Resulting Company. The Demerged Company and the Resulting Company shall file necessary particulars and/or modification(s) of charge, with the Registrar of Companies to give formal effect to the above provisions, if required.
- g) Where any such debts, loans raised, liabilities, duties and obligations of the Demerged Company in relation to the Real Estate Business Undertaking or arising after the Appointed Date have been discharged or satisfied by the Demerged 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 Resulting Company.

17.3. The Real Estate Business of Demerged Company may be entitled to various benefits under incentive schemes and policies under various laws, regulations and notifications. Pursuant to this Scheme, the benefits under all of such schemes and policies shall be transferred to and vest in the Resulting Company and all benefits, entitlements and incentives of any nature whatsoever including tax concessions (not limited to income tax, tax deducted at source, tax holiday, special economic zone related benefits, export oriented units benefits, tax losses, unabsorbed depreciation, fringe benefit tax, sales tax, value added tax (VAT), turnover tax, excise duty, service tax, customs, goods and service tax (GST), minimum alternate tax credit

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entitlement whether recognized or not, unutilized deposits or credits, benefits under the GST/ VAT / Sales Tax Law, VAT / Sales Tax set off, benefits of any unutilized MODVAT / CENVAT / Service Tax credits / input tax credit under goods and service tax etc. and others) and incentives shall be claimed by the Resulting Company and these shall relate back to the Appointed Date as if the Resulting Company was originally entitled to all benefits under such incentive scheme and policies, subject to continued compliance by the Resulting Company of all the terms and conditions subject to which the benefits under the incentive schemes and policies were made available to the Demerged Company.

- 17.4. Upon the coming into effect of this Scheme, any privileges, liberties, advantages, etc of whatsoever nature and wheresoever situate 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 or in connection with or relating to the Demerged Company in relation to the Real Estate Business Undertaking 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 Demerged Company in relation to the Real Estate Business Undertaking, whether in India or abroad shall stand transferred and vested with the Resulting Company.
- 17.5. Upon the coming into effect of this Scheme and till such time that the name of the bank accounts of the Demerged Company has been replaced with that of the Resulting Company, the Resulting Company shall be entitled to maintain and operate the bank accounts of the Demerged Company in relation to the Real Estate Business Undertaking in the name of the Demerged Company and for such time as may be determined to be necessary by the Resulting. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Demerged Company in relation to the Real Estate Business Undertaking after the Effective Date shall be accepted by the bankers of the Resulting Company and credited to the account of the Resulting Company, if presented by the Resulting Company.
- 17.6. Upon the coming into effect of this Scheme, all agreements, options, rights, contracts (including any customer, vendor and all contractual and statutory rights in law and equity), entitlements, licenses, permits, permissions, incentives, approvals, registrations, tax deferrals and benefits, subsidies, concessions, exemptions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges and claims as to any patents, trademarks, designs, quota rights, engagements, arrangements, authorities, allotments, security arrangements (to the extent provided herein), put and/or call option agreements, statutory and regulatory permissions, environmental approvals and consents, goods and service tax registrations, or other licenses and consents, benefits of any guarantees, reversions and all other approvals of every kind, nature and description whatsoever relating to the Real Estate Business of the Demerged Company shall stand transferred and vested with the Resulting Company by operation of law and shall remain valid, effective and enforceable on the same terms and conditions.
- 17.7. Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Resulting Company will be entitled to all the trade and service names and marks, brands, patents, copyrights, licenses, marketing authorizations, approvals and marketing tangibles of the Real Estate Business of the Demerged Company including registered and unregistered



trademarks along with all rights of commercial nature including those attached to goodwill, title, interest, labels and brands registrations, copyrights, trademarks and all such other industrial or intellectual rights of whatsoever nature, and the Resulting Company may take such actions as may be necessary and permissible to get the same transferred and /or registered in the name of the Resulting Company.

- 17.8. Upon the coming into effect of this Scheme, amounts claimed by the Demerged Company in relation to the Real Estate Business Undertaking, whether or not so recorded in the books of account of the Demerged Company from any Governmental Authority, under any law, act or rule in force, as refund of any security deposits, tax, duty, cess or of any excess payment shall stand transferred with the Resulting Company.
- 17.9. Upon the coming into effect of this Scheme, right to any claim not preferred or made by the Demerged Company, in relation to the Real Estate Business Undertaking, in respect of any refund of tax, duty, cess, security deposit or other charge, including any erroneous or excess payment thereof made by the Demerged Company and any interest thereon, with regard to any law, act or rule or scheme made by the Governmental Authority, and in respect of set-off, carry forward of unabsorbed losses, carry forward of unabsorbed depreciation, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, etc. under the Income Tax Act, 1961, or any other or like benefits under the said acts or under and in accordance with any law or act, shall stand transferred and vested with the Resulting Company.
- 17.10. The vesting of the Real Estate Business Undertaking of the Demerged Company, as aforesaid, shall be subject to the Encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such Encumbrances shall be confined only to the relevant assets of the Real Estate Business of Demerged Company or part thereof on or over which they are subsisting on and no such Encumbrances shall extend over or apply to any other asset(s) of Resulting Company. Any reference in any security documents or arrangements (to which Demerged Company is a party) related to any assets of Real Estate Business of the Demerged Company shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of Resulting Company. Similarly, Resulting Company shall not be required to create any additional security over assets vested under this Scheme for any loans, debentures, deposits or other financial assistance already availed of /to be availed of by it, and the Encumbrances in respect of such indebtedness of Resulting Company shall not extend or be deemed to extend or apply to the assets so vested; provided, however, that the foregoing shall not be applicable to any security or Encumbrance that the Real Estate Business Undertaking of the Demerged Company is required to create (subject to receipt of any Permits) over its assets as on the Effective Date.

#### 18. CONSIDERATION FOR DEMERGER OF REAL ESTATE BUSINESS UNDERTAKING

- 18.1. Upon the coming into effect of the Scheme and in consideration of the transfer and vesting of the Real Estate Business Undertaking of the Demerged Company in the Resulting Company in terms of the Scheme, the Resulting Company shall, without any further application, act, instrument or deed, issue and allot to each member of the Demerged Company, whose name



is registered in the Register of Members of the Demerged Company on the Effective Date or his/her/its legal heirs, executors or successors as the case may be (after giving effect to Clause 5.1 of the Scheme), shares in the Resulting Company, in the following ratio:

*5,512 (Five Thousand Five Hundred and twelve) fully paid-up Equity Shares of face Value of Rs. 10 (Ten) each of Resulting Company for every 1,000 (One Thousand) fully paid-up Equity Shares of face Value Rs. 10 (Ten) each held in Demerged Company.*

- 18.2. Upon the Scheme becoming effective, the issued, subscribed and paid-up share capital of the Resulting Company shall stand suitably increased consequent upon the issuance of new equity shares in accordance with this Clause. It is clarified that no special resolution under Section 42 or section 62 of the Companies Act, 2013 or any other applicable provisions of the Act shall be required to be passed by the Resulting Company separately in a general meeting for issue of shares to the members of the Demerged Company under this Scheme and on the shareholders of the Resulting Company approving this Scheme, it shall be deemed that they have given their consent to the issue of equity shares of the Resulting Company to the members of the Demerged Company in the aforesaid share exchange ratio.
- 18.3. The shares issued to the members of the Demerged Company by the Resulting Company pursuant to this Clause shall be issued in dematerialised form by the Resulting Company, unless otherwise notified in writing by the members of the Demerged Company to the Resulting Company on or before such date as may be determined by the Board of Directors of the Resulting Company or a committee thereof. In the event that such notice has not been received by the Resulting Company in respect of any of the members of the Demerged Company, the shares shall be issued to such members in dematerialised form provided that the members of the Demerged Company shall be required to have an account with a depository participant and shall be required to provide details thereof and such other confirmations as may be required. It is only thereupon that the Resulting Company shall issue and directly credit the dematerialised shares to the account of such member with the shares of the Resulting Company. In the event that the Resulting Company has received notice from any member that shares are to be issued in physical form or if any member has not provided the requisite details relating to his/her/its account with a depository participant or other confirmations as may be required, then the Resulting Company shall issue shares in physical form to such member.
- 18.4. The equity shares to be issued and allotted under the Scheme by the Resulting Company as above shall be subject to the Memorandum of Association and Articles of Association of the Resulting Company. The equity shares issued by the Resulting Company shall rank *Pari passu* in all aspects, including dividends, voting and other rights, with the existing equity shares of the Resulting Company. In case the number of new shares to be issued by the Resulting Company pursuant to this Scheme is a fractional number, it shall be rounded off to the nearest whole number. The Board of Directors of the Resulting Company shall, if and to the extent required, apply for and obtain any approvals from concerned Government / Regulatory authorities for the issue and allotment of equity shares pursuant to this Scheme.
- 18.5. The approval of this Scheme by the shareholders of the Resulting Company, under Sections 230 to 232 of the Act shall be deemed to constitute approvals under Sections 13, 14, and other applicable provisions of the Act and any other consents and approvals required in this

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regard. If there are any pending transfers, whether lodged or outstanding, of any shareholders of the Demerged Company, the Board of Directors of the Resulting Company shall be empowered in appropriate cases, prior to or even subsequent to the Effective Date, to effectuate such a transfer in the records of the Demerged Company, as if such changes in the registered holder were operative as on the Effective Date, in order to remove any difficulties arising to the holder/Resulting of the shares in the Demerged Company and in relation to the equity shares to be issued by the Resulting Company after this Scheme becoming effective.

- 18.6. If necessary, the Resulting Company shall before allotment of the equity shares in term of the Scheme, increase, reclassify, and/or restructure its authorized share capital in such manner and by such amount as may be necessary to satisfy its obligation under the provisions of the Scheme in compliance with the applicable provisions of the Act and the Rules thereunder.

## 19. ACCOUNTING TREATMENT

### 19.1. Accounting Treatment in the Books of the Demerged Company

Notwithstanding anything to the contrary contained in any other Clause in the Scheme, the Demerged Company shall give effect to the Scheme in its books of accounts in accordance with the accounting standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and the generally accepted accounting principles in India.

- a) Upon the Scheme becoming effective and from the Appointed Date, the Demerged Company shall reduce the carrying value of all the assets and liabilities pertaining to the Real Estate Business Undertaking as appearing in the books of accounts of the Demerged Company, being transferred to and vested in the Resulting Company from the book value of assets and liabilities of the Demerged Company.
- b) The difference, being excess of carrying value of assets over the carrying value of liabilities of the Real Estate Business Undertaking shall be adjusted against Retained earnings/ Profit and Loss account under the head "Other Equity". If, the difference is arising due to excess of carrying value of liabilities over the carrying value of assets of the Demerged Undertaking, it shall be credited to Capital Reserve account.
- c) Notwithstanding the above accounting treatment, the Board of Directors of the Demerged Company are authorized to account for any of these transactions / balances in any manner whatsoever, as may be deemed fit, in accordance with applicable Indian Accounting Standards notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and generally accepted accounting principles adopted in India.

### 19.2. Accounting Treatment in the Books of the Resulting Company

Notwithstanding anything to the contrary contained in any other Clause in the Scheme, the Resulting Company shall give effect to the Scheme in its books of account in accordance with the accounting standards specified under Section 133 of the Act read with the Companies



(Indian Accounting Standards) Rules, 2015 and the generally accepted accounting principles in India.

- a) Upon the Scheme becoming effective and from the Appointed Date, Resulting Company shall record all the assets and liabilities pertaining to Real Estate Business Undertaking vested in it pursuant to this Scheme, at their respective carrying values as appearing in the books of the Demerged Company.
- b) The Resulting Company shall credit to its share capital account, the aggregate face value of the shares issued by it pursuant to Clause 18.1 of this Scheme.
- c) The difference between the face value of new equity shares issued by Resulting Company to the shareholders of the Demerged Company as consideration and the net book value of the assets and liabilities of the Real Estate Business Undertaking received from the Demerged Company will be credited or debited to Capital Reserve or Goodwill, as the case may be.
- d) In case of any differences in accounting policies applied to the Demerged Undertaking by the Demerged Company and the Resulting Company, the accounting policies, as may be directed by the Board of Resulting Company will prevail and the difference will be accounted for in accordance with the applicable accounting standards.
- e) Notwithstanding the above accounting treatment, the Board of Directors of the Resulting Company are authorized to account for any of these transactions / balances in any manner whatsoever, as may be deemed fit, in accordance with applicable Indian Accounting Standards notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and generally accepted accounting principles adopted in India.

## 20. CONDUCT OF BUSINESS TILL EFFECTIVE DATE

With effect from the Appointed Date and up to and including the Effective Date:

- 20.1. The Demerged Company shall carry on and deemed to have carried on Real Estate Business and related activities and shall stand possessed of its Real Estate Business Undertaking, in trust for the Resulting Company and shall account for the same to the Resulting Company.
- 20.2. All profits or income arising or accruing to the Demerged Company and losses and expenditure arising or incurred by it in relation to the Real Estate Business Undertaking (including taxes, if any, accruing or paid in relation to any profits or income but not limited to advance tax, tax deducted at source, minimum alternate tax, dividend distribution tax, securities transaction tax, taxes withheld/paid in a foreign country, etc.) for the period commencing from the Appointed Date shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditure (including taxes), as the case maybe, of the Resulting Company.
- 20.3. The Demerged Company shall carry on Real Estate Business with reasonable diligence and business prudence and in the same manner as it had been doing hitherto, and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts or incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitment either for themselves or on behalf of its

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respective affiliates or associates or any third party, or sell, transfer, alienate, charge, mortgage or encumber or deal in any of its properties/assets in relation to the Real Estate Business, except where the same is expressly provided in this Scheme or it is in the ordinary course of business or if prior written consent of the Resulting Company is obtained.

- 20.4. Except by consent of the Resulting Company, or except pursuant to any prior commitment, obligation or arrangement existing or undertaken by the Demerged Company as on the date of sanction of this Scheme by the Board, or except as contemplated in this Scheme, pending sanction of this Scheme, the Demerged Company shall not make any change in its capital structure either by way of any increase (by issue of equity shares, bonus shares, convertible debentures or otherwise), decrease, reduction, reclassification, sub-division or consolidation, re-organisation or in any other manner, which would have the effect of re-organisation of capital of the Demerged Company.
- 20.5. All taxes (including, without limitation, income tax, minimum alternate tax, central goods and service tax, state goods and service tax of respective states, integrated goods and service tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, CENVAT credit, input tax credit, etc.) paid or payable by the Demerged Company in respect of the operations and/or the profits of the Real Estate Business Undertaking before the Appointed Date, shall be on account of the Demerged Company and, insofar as it relates to the tax payment (including, without limitation, income tax, minimum alternate tax, central goods and service tax, state goods and service tax of respective states, integrated goods and service tax, wealth tax, sales tax, excise duty, customs duty, service tax, VAT, etc.), whether by way of deduction at source, minimum alternate tax credit, dividend distribution tax, advance tax, taxes withheld / paid in foreign country, securities transaction tax, or otherwise howsoever, by the Demerged Company in respect of the profits or activities or operation of the Real Estate Business Undertaking with effect from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Resulting Company, and, shall, in all proceedings, be dealt with accordingly.
- 20.6. The Resulting Company shall be entitled, pending the sanction of the Scheme, to apply to the Central / State Government, and all other agencies, departments and authorities concerned as are necessary under any law or rules, for such consents, approvals and sanctions, which the Resulting Company may require to carry on the Real Estate Business of the Demerged Company and give effect to the Scheme.

## 21. LEGAL PROCEEDINGS

- 21.1. Any suit, petition, appeal or other proceeding of whatsoever nature and any orders of court, judicial or quasi-judicial tribunal or other governmental authorities enforceable by or against the Demerged Company in relation to Real Estate Business Undertaking, including without limitation any restraining orders pending before any court, judicial or quasi-judicial tribunal or any other forum, relating to the Real Estate Business Undertaking of the Demerged Company, including legal and taxation proceedings, whether by or against the Demerged Company, pending as on the Effective Date, shall not abate or be discontinued or in prejudicially affected by reason of the demerger of Real Estate Business or anything contained in this Scheme, but by virtue of the order sanctioning the Scheme, such legal proceedings shall be continued and



any prosecution shall be enforced by or against the Resulting Company in the same manner and to the same extent as would or might have been continued, prosecuted and/or enforced by or against the Demerged Company, as if this Scheme had not been implemented.

- 21.2. After the Appointed Date and until the Effective Date, the Demerged Company shall defend all legal proceedings, in relation to the Real Estate Business, with the advice and instructions of the Resulting Company.
- 21.3. The continuance of the proceedings by or against the Resulting Company shall not affect any transaction or proceeding already completed by the Demerged Company in relation to the Real Estate Business between the Appointed Date and the Effective Date to the end and intent that the Resulting Company accepts all acts, deeds and things done and executed by and/or on behalf of the Demerged Company as acts, deeds and things done and executed by and on behalf of the Resulting Company.

## 22. CONTRACTS, DEEDS, ETC.

With effect from the Appointed Date and upon the Scheme becoming effective,

- 22.1. Subject to the other provisions contained in this Scheme, all applications with regulatory authorities, contracts, deeds, bonds, agreements, letter of intent, insurance policies and other instruments of whatever nature (including any indemnity rights accruing to the Demerged Company) in relation to the Real Estate Business to which, the Demerged Company is a party subsisting or having effect immediately before the Scheme coming into effect shall be in full force and effect against or in favour of the Resulting Company, and may be enforced by or against the Resulting Company as fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a party thereto.
- 22.2. All permits, quotas, rights, entitlements, privileges, powers, facilities, subsidies, special status and other benefits or privileges (granted by any Government body, local authority or by any other person) of every kind and description of whatsoever nature in relation to the Real Estate Business of the Demerged Company, or to the benefit of which the Real Estate Business Undertaking of Demerged Company may be eligible, or having effect immediately before the Effective Date, shall be and remain in full force and effect in favour of or against the Resulting Company, as the case may be, and may be enforced fully and effectually as if, instead of the Demerged Company, the Resulting Company had been a beneficiary or obligee thereto.
- 22.3. Any statutory licences, permissions or approvals or consents required to carry on the Real Estate Business of the Demerged Company shall stand vested in or transferred to the Resulting Company without any further act or deed, and shall be appropriately mutated by the Demerged Company therewith in favour of the Resulting Company. The benefit of all such statutory and regulatory permissions, licences, approvals and consents including statutory licences, approvals, permissions or approvals or consents required to carry on in any manner, shall vest in and become available to the Resulting Company pursuant to the Scheme.
- 22.4. The Resulting Company shall enter into and / or issue and / or execute deeds, writings or confirmations or enter into any tripartite agreement, confirmations or novations to which the Demerged Company will, if necessary, also be a party in order to give formal effect to the



provisions of this Scheme, if it is so required or if it becomes necessary. The Resulting Company shall be deemed to be authorised to execute any such writings on behalf and in the name of the Demerged Company and to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the Demerged Company.

- 22.5. The Resulting Company shall be entitled to the benefit of all insurance policies which have been issued in respect of the Real Estate Business of the Demerged Company and the name of the Resulting Company shall be substituted as "insured" in the policies as if the Resulting Company was initially a party thereto.

### 23. SAVING OF CONCLUDED TRANSACTIONS

- 23.1. The transfer of business, assets, properties and liabilities under Clause 17 above and the continuance of proceedings by or against the Resulting Company under Clause 21 above shall not affect any transaction or proceedings already concluded by the Demerged Company in respect of the Real Estate Business Undertaking on or after the Appointed Date till the Effective Date, to the end and intent that the Resulting Company accepts and adopts all acts, deeds and things done and executed by the Demerged Company in relation to the Real Estate Business Undertaking as acts, deeds and things made, done and executed by or on behalf of the Resulting Company in accordance with this Scheme.

### 24. STAFF AND EMPLOYEES

- 24.1. All staff and employees of the Demerged Company in relation to the Real Estate Business Undertaking in service on the Effective Date shall be deemed to have become staff and employees of the Resulting Company without any interruption / break in their service and on the basis of continuity of service, and the terms and conditions of their employment with the Resulting Company shall not be less favourable than those applicable to them with reference to the Demerged Company on the Effective Date. The Resulting Company agrees that for the purpose of payment of any compensation, gratuity and other terminal benefits, the past services of employees of the Demerged Company and such benefits to which the employees of the Demerged Company are entitled in the Demerged Company in relation to the Real Estate Business Undertaking shall also be taken into account, and the Resulting Company agrees and undertakes to pay the same as and when payable.
- 24.2. It is expressly provided that, on the Scheme becoming effective, the Provident Fund, Gratuity Fund, Superannuation Fund or any other Special Fund or Trusts created or existing for the benefit of the staff and employees of the Demerged Company in relation to the Real Estate Business Undertaking, if any, shall become the trusts / funds of the Resulting Company for all purposes whatsoever in relation to the administration or operation of such Fund or Funds or in relation to the obligation to make contributions to the said Fund or Funds in accordance with the provisions thereof as per the terms provided in the respective Trust Deeds, if any, to the end and intent that all rights, duties, powers and obligations of the Demerged Company in relation to such Fund or Funds shall become those of the Resulting Company. In the event the Resulting Company has its own funds in respect of any of the Employee Benefit Funds, such

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contributions and investments shall, subject to the necessary approvals and permissions and at the discretion of the Resulting Company, be transferred to the relevant funds of the Resulting Company and shall be held for the benefit of the concerned employees of the Demerged Company in relation to the Real Estate Business Undertaking.

- 24.3. In relation to those employees of the Demerged Company of the Real Estate Business for whom the Demerged Company is making contributions to the government provident fund, the Resulting Company shall stand substituted for the Demerged Company, for all purposes whatsoever, including relating to the obligation to make contributions to the said fund in accordance with the provisions of such fund, bye laws, etc. in respect of such employees of the Demerged Company.
- 24.4. The Boards of Directors of the Demerged Company and the Resulting Company shall take such actions and execute or cause to do so and execute such further documents as may be necessary or desirable for the purpose of giving effect to the provisions of this Clause 24.

## 25. VALIDITY OF RESOLUTIONS

Upon the coming into effect of this Scheme, the resolutions, if any, of the Demerged Company, in relation to the Real Estate Business Undertaking, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Resulting Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Resulting Company and shall constitute the aggregate of the said limits in the Resulting Company.

## 26. TAXES/DUTIES/CESS ETC.

- 26.1. With effect from the Appointed Date, all income tax paid (including advance tax and self-assessment tax), income tax refund due or receivable, tax deducted at source, minimum alternate tax, carried forward losses, depreciation, capital losses, pending balances of amortizations, tax holiday benefits, incentives, credits (including tax credits), minimum alternate tax credit entitlement, tax losses (if available) etc., under the income Tax Act, 1961 in respect of any assessment and/or appeal, (whether as per books or as per the Income Tax Act, 1961) and any right including the right to claim refunds, advance tax credits, credit of tax deducted at source, credit of foreign taxes paid/ withheld, etc., if any under Income Tax Act, 1961 and also including applications for rectification, appeals filed with tax authorities of the Demerged Company or other provisions of the Act, without any further act or deed, in relation to the Real Estate Business Undertaking, be transferred to or be deemed to be transferred to the Resulting Company and shall be treated as paid by the Resulting Company and it shall be entitled to claim credit, refund or adjustment for the same as may be applicable.
- 26.2. Upon this Scheme being effective, the Demerged Company and Resulting Company are expressly permitted to revise and file their respective income tax returns and other statutory returns, including tax deducted / collected at source returns, service tax returns, excise tax returns, sales tax/VAT/GST returns, as may be applicable and has expressly reserved the right



to make such provision in its returns and to claim refunds or credits etc. if any. Such returns may be revised and filed notwithstanding that the statutory period for such revision and filing may have expired.

**27. CHANGE IN THE NAME OF THE RESULTING COMPANY**

27.1. As an integral part of the Scheme, and upon the coming into effect of the Scheme, the name of the Resulting Company shall stand changed to "Yellow Soul Realty Private Limited" or such other name as may be decided by its Board of Directors or a committee thereof and approved by the concerned registrar of companies. Further, the present name of "Yellow Soul Foods Private Limited" wherever it occurs in its Memorandum and Articles of Association be substituted by such name.

27.2. Under the accepted principle of single window clearance, it is hereby provided that the change in the name referred above, shall become operative on the Scheme being effective by virtue of the fact that the Shareholders of Resulting company approving the scheme as a whole, have also resolved and accorded the relevant consents as required under the Act and the Resulting Company shall not be required to pass separate resolutions.

**28. CHANGE IN MAIN OBJECTS CLAUSE OF MEMORANDUM OF ASSOCIATION OF THE RESULTING COMPANY**

28.1. With effect from the Appointed Date, the main object clause of the Memorandum of Association of the Resulting Company shall be deemed to be altered and amended, without any further act or deed, to amend the objects as required for the purpose of carrying on the business activities of the Real Estate Business of the Demerged Company pursuant to the applicable provisions of the Act. Accordingly, Clause 3(a) of the Memorandum of Association of the Resulting Company shall be altered and amended. The revised main object Clause 3(a) of the Resulting Company shall be read as under:

*"To acquire, buy, purchase, develop, renovate, improve, maintain, exchange or otherwise own property, estate, land, buildings, flats, garages, houses, halls, godowns, shops, warehouses, office premises, mills, factories, residential accommodation or other immovable properties of any other nature, by planting, paving, demolishing, constructing, reconstructing, altering, improving, furnishing, maintaining, administering, equipping or subdividing properties by leasing or otherwise disposing of the same and to enter into contracts and agreements with builders, tenants, occupiers, either in India or in any part of the world to purchase, sell, deal in land, estates, houses or other landed properties of any tenure whether freehold, leasehold or otherwise and to act as promoters, organizers and developers of land, estates, property, cooperative housing societies, residential housing schemes, shopping centres, commercial complex, farm houses, holiday resorts, hotels or any other immovable properties and to deal with and improve such properties either as owner or as agents and to join any other person, partnership firm or company in carrying the above objects."*



- 28.2. For the purposes of the amendment in the Memorandum of Association of the Resulting Company as provided in this Clause, the consent/ approval given by the members of the Resulting Company to this Scheme shall be deemed to be sufficient to give effect to this clause of the Scheme and no further resolution of members of the Resulting Company shall be required to be passed for making such change/ amendment in the Memorandum of Association of the Resulting Company.
- 28.3. The Resulting Company shall file with the Registrar of Companies, all requisite forms and complete the compliance and procedural requirements under the Act, if any.

### **PART C – GENERAL TERMS AND CONDITIONS**

#### **29. APPLICATION TO THE TRIBUNAL**

The Companies shall, as may be required, make all necessary applications and / or petitions to Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Act read with applicable Rules for sanction of this Scheme and all matters ancillary or incidental thereto.

#### **30. MODIFICATION OR AMENDMENTS TO THE SCHEME**

- 30.1. Subject to approval of Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, the Companies with the approval of their respective Board of Directors which includes the Committee of Directors, may consent, from time to time, on behalf of all persons concerned, to any modifications / amendments or additions / deletions to the Scheme which may otherwise be considered necessary, desirable or appropriate by the Board of Directors to resolve all doubts or difficulties that may arise for carrying out this Scheme and to do and execute all acts, deeds matters, and things necessary for bringing this Scheme into effect or agree to any terms and / or conditions or limitations that the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable, may deem fit to approve of, to direct and or impose. The aforesaid powers of the Companies to give effect to the modification / amendments to the Scheme may be exercised by their respective Board of Directors or any person authorised in that behalf by the concerned Board of Directors subject to approval of the Tribunal or any other competent authority or any other appropriate authority under the applicable provisions of the Act, as may be applicable.
- 30.2. The Companies, by their respective Board of Directors, may give such directions as they may consider necessary to settle any questions, doubts or difficulties arising under the Scheme or in regard to and of the meaning or interpretation of the Scheme or implementation hereof or in any matter whatsoever connected therewith, or to review the position relating to the satisfaction of various conditions to the Scheme and if necessary, to waive any of those (to the extent permissible under law).



**31. CONDITIONALITY OF THE SCHEME**

This Scheme is and shall be conditional upon and subject to:

- 31.1. The Scheme being approved by the requisite majorities in number and value of such classes of persons including the members and/or creditors of the Companies as may be directed by the Tribunal or any other competent authority, as may be applicable.
- 31.2. The Scheme being sanctioned by the Tribunal or any other competent authority, as may be applicable, under Sections 230 to 232 of the Companies Act, 2013.
- 31.3. Certified copies of the Orders of the Tribunal or any other competent authority, as may be applicable, being filed with the Registrar of Companies by the Companies.

**32. EFFECT OF NON-RECEIPT OF APPROVALS**

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 any other competent authority, this Scheme shall stand revoked, cancelled and be of no effect. In such event, each party shall bear and pay its respective costs, charges and expenses for and/or in connection with the Scheme.

**33. WITHDRAWAL OF THIS SCHEME**

The Transferor Company, the Transferee Company and the Resulting Company may through mutual consent and acting through their respective Board of Directors shall be at the liberty to withdraw this Scheme from the Tribunal.

**34. SEVERABILITY**

If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Board of Directors of the Companies, affect the validity or implementation of the other parts and/or provisions of this Scheme. If any Part or provision of this Scheme hereof is invalid, ruled illegal by Tribunal or such other competent authority, or unenforceable under present or future laws, then it is the intention of the Companies that such Part or provision, as the case may be, shall be severable from the remainder of the Scheme, and the Scheme shall not be affected thereby, unless the deletion of such Part or provision, as the case may be, shall cause this Scheme to become materially adverse to any of the Companies, in which case the Companies shall attempt to bring about a modification in the Scheme, as will best preserve for the Companies the benefits and obligations of the Scheme, including but not limited to such Part or provision.

**35. COSTS, CHARGES & EXPENSES**

All costs, charges, taxes including duties, levies and all other expenses, if any (save as expressly otherwise agreed) arising out of, or incurred in carrying out and implementing this Scheme matters incidental thereto, shall be borne by the Transferor Company or the Transferee



Company or the Resulting Company as may be mutually agreed by the respective Board of Directors.

**36. FURTHER ASSURANCES**

The Companies shall co-operate with each other and shall take all reasonable steps, acts, deeds, and things as deemed necessary or desirable including making applications, submissions, etc., to give effect to the Scheme and the transactions contemplated hereunder.

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CA Irfan K. Hawa  
F.C.A., DISA(ICAI)

*M. Hawa & Associates*  
CHARTERED ACCOUNTANTS

Independent Auditor's Report

To The Members of  
Shri Bhagwati Flour Mills Private Limited

Report on the Audit of Financial Statements

**Opinion**

We have audited the accompanying financial statements of **Shri Bhagwati Flour Mills Private Limited**, which comprises the Balance Sheet as at **March 31st, 2024**, the Statement of Profit and Loss, Statement of Cash flow for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "financial statements").

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 (the "Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021, as amended ("AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at **March 31, 2024**, its Profit and 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) 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 (the "ICAI") 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 opinion on the financial statements.



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### **Information other than the Financial Statements and Auditor's Report thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' report including its annexures and shareholder's information but does not include the financial statements and our auditor's report thereon. The Directors' report including its annexures and other shareholder's information is expected to be made available to us after the date of this auditor's report.

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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in 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. When we read the other information, if conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with Governance. 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 Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance 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 implementation and maintenance of 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.

Those 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 Standards on Auditing (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 Standards on Auditing (SAs), we exercise professional judgment and maintain professional skepticism 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 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 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**

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.

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 (also refer our comments in para 2(h)(vii);
- c. The Balance Sheet and the Statement of Profit and Loss and Statement of Cash Flow are dealt with by this Report are in agreement with the relevant books of account;
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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 with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B' to this report;
- g. Being a private limited company, the provision of section 197 of the Act read with Schedule V are not applicable to the company;
- 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:
- i. The Company does not have any pending litigations, which would impact its financial position in its financial statements – Refer Note 34 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 is no amount required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - v. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in note 38(viii) of the financial statement, 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 person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in note no - 38(ix) to the financial statement, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that we have 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 (i) and (ii) contain any material mis-statement

- vi. The company has not declared or paid dividend during the year by the company and subsequent to the year end.
- vii. Based on our examination, which included test checks, the company has used accounting software for maintaining its books of account which has the feature of recording audit trail (edit logs) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software. Further, during the course of our audit we did not come across any instances of audit trail feature being tampered with.

PLACE: AHMEDABAD  
DATE: 06/07/2024

For, M HAWA & ASSOCIATES  
CHARTERED ACCOUNTANTS

FRN: 103598W



*M. M. HAWA*  
(M. M. HAWA)

PROPRIETOR

M.No. 040790

UDIN:24040790BKAQPE5010

## ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory requirements' in the Independent Auditor's Report of even date to the members of **Shri Bhagwati Flour Mills Private Limited ("the Company")** on the financial statements for the year ended 31st March 2024]

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that,

- i. In respect of the Company's property, plant and equipment and intangible assets:
  - (a) (A) Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
  - (B) Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the Company is maintaining proper records showing full particulars of intangible assets.
- (b) The Company has policy of physical verification of Property, Plant and Equipment by which all Property, Plant and Equipment are verified in a phased manner. In our opinion, the periodicity of physical verification is reasonable having regards to the size of the company and the nature of its assets. Pursuant to this policy, Property, Plant and Equipment have been physically verified by the management during the previous year and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given to us, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company as at the balance sheet date.
- (d) The Company has not revalued any Property, Plant and Equipment during the year, accordingly, the requirements under clause 3(i)(d) of the Order are not applicable.



- (e) As disclosed in note no.37 to the financial statement, there are no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder and accordingly the requirements under paragraph 3(i)(e) of the Order are not applicable.
- ii. (a) The inventories has been physically verified by the management at reasonable interval. In our opinion, the frequency of verification is reasonable and the coverage and procedure for such verification is appropriate. No material discrepancies were notices on such physical verification.
- (b) As disclosed in note-06 To the financial statements, the Company has been sanctioned working capital limits in excess of Rs 5.00 Crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly statements filed by the Company with such banks and financial institutions are materially in agreement with the books of accounts of the Company.
- iii. The Company has provided unsecured advances in the nature of loans to companies and other parties in respect of which the requisite information is as below. The Company has not provided guarantee, security or made investment to firms, limited liabilities partnerships or any other parties during the year:

(a) During the year company has provided loans as below:

Particulars	Amount (Rs. In lakhs)
Aggregate amount granted/provided during the year:	
- To employees	31.50
Balance outstanding as at balance sheet date in respect of the above cases:	
- To employees	10.79

(b) In our opinion, all loans and advance in the nature of loans provided during the year are not prejudicial to the interest of the company;



- (c) Based on our verification of the documents provided to us and according to the information and explanations given by the management, the aforesaid loans are repayable on demand and therefore no schedule of repayment of principal and payment of interest have been stipulated. According to the information and explanations given to us, such loans and interest thereon have not been demanded for repayment during the relevant financial year.
- (d) There is no overdue amount for more than 90 days in respect of loans, as such loans are repayable on demand;
- (e) The Company has provided loans to employees and others which are repayable on demand and therefore clause 3(iii)(e) will not be applicable;
- (f) The Company has granted loans in the nature of loans either repayable on demand or without specifying any terms or period of repayment as below:

Particulars	Amount (Rs. In lakhs)
Aggregate amount granted/provided during the year:	
- To employees	31.50
Balance outstanding as at balance sheet date in respect of the above cases:	
- To employees	10.79

- iv. In our opinion and according to information and explanations given to us, the loans given by the company are not covered by section 185 or 186 of the Companies Act, 2013, and hence, paragraph 3(iv) of the Order is not applicable.
- v. Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the Company has not accepted any deposits or the amounts which are deemed to be deposits except distributor's deposit, rent deposit and exempt deposit within the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under, therefore, the provisions of paragraph 3(v) of the Order are not applicable to the Company.
- vi. According to the information and explanations given to us and the records of the Company as examined by us, the Company is not required to maintain cost records that have been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.



- vii. a) The Company is generally regular in depositing with appropriate authorities, 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 any other material statutory dues applicable to it.
- b) In our opinion, there were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March, 2024 for a period of more than six months from the date they became payable.
- viii. As disclosed by the management in **note 38** of the financial statements, the company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessment under Income Tax Act, 1961 (43 of 1961) as income during the year.
- ix. (a) During the year, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) As disclosed by the management in **note 38** of the financial statements, the Company has not been declared willful defaulter by any bank or financial institution or other lender during the year.
- (c) The Company has not availed the term loan during the year and therefore reporting under clause 3(ix)(c) of the order will not applicable.
- (d) On an overall examination of the financial statements of the Company, we report that funds raised on short term basis have prima facie not been used for long term purposes.
- (e) The Company does not have any Subsidiary company, Associate or Joint Ventures and therefore, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the order will not applicable.



- x. (a) During the year Company has not raised moneys by way of initial public offer or further public offer including debt instruments or term loans.
- (b) During the year company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible), accordingly, the provision of clause 3(x)(b) is not applicable.
- xi. (a) 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 or on by the company, noticed or reported during the year, nor we have been informed such case by the management.
- (b) No report under sub section (12) of section 143 of the Act has been filed in the form ADT - 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with central government during the year and up to the date of this report.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the Year.
- xii. The Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) (a) to (c) of the order are not applicable.
- xiii. According to information and explanation given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where ever applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business;
- (b) We have considered the internal audit reports of the company issued till date, for the period under audit.





- xv. According to the information and explanation given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors as referred to in section 192 of Companies Act, 2013 and hence requirement to report clause 3(xv) of the order is not applicable to the company.
- xvi. (a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, accordingly, the provision of clause 3(xvi)(a) is not applicable.  
(b) The company is not a NBFC, accordingly, the provision of clause 3(xvi)(b) to (d) is not applicable.
- xvii. The company has not incurred any cash losses in the financial year covered by our audit and during the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- 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, 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 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. (a) There are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of Section 135 of the Act. This matter has been disclosed in note 26 to the financial Statements.



(b) There are no unspent amount as mentioned under section (5) of Section 135 of Companies Act, hence, the requirement to report on clause 3(xx) of the Order is not applicable to the Company.

xxi. The company does not have any subsidiary or joint venture companies or associate companies. Hence the reporting under clause 3(xxi) of the Order is not applicable in respect of audit of financial statements of the Company.

For, M HAWA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN: 103598W



A handwritten signature in green ink, appearing to read "M. M. HAWA".

PLACE: AHMEDABAD  
DATE: 06/07/2024

(M. M. HAWA)  
PROPRIETOR  
M.No. 040790

UDIN: 24040790BKAQPE5010

**ANNEXURE B to the Independent Auditor's Report of even date on Financial Statements of Shri Bhagwati Flour Mills Private Limited.**

**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 Shri Bhagwati Flour Mills Private Limited ("the Company") as of 31<sup>st</sup> March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at 31<sup>st</sup> March 2024 (also refer the para 2(h)(vii) of the Report on Other legal and regulatory requirements on reporting under Rule 11(g)), 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 (the "Guidance Note").

**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 Companies Act, 2013.



## 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 Companies Act, 2013, 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 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

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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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**

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.

**For, M HAWA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN: 103598W**



A handwritten signature in green ink, appearing to read 'M. M. HAWA', is written over the circular seal.

**(M. M. HAWA)  
PROPRIETOR  
M.No. 040790**

**PLACE: AHMEDABAD  
DATE: 06/07/2024**

**UDIN: 24040790BKAQPE5010**

## SHRI BHAGWATI FLOUR MILLS PRIVATE LIMITED

(CIN: U15310GJ1992PTC017267)

Balance Sheet as at 31st March, 2024

Particulars	Note No.	(Figures in Lakhs)	
		31st March, 2024	31st March, 2023
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' funds</b>			
(a) Share capital	2	425.00	425.00
(b) Reserves and surplus	3	10,624.02	8,284.25
<b>Total Shareholders funds</b>		<b>11,049.02</b>	<b>8,709.25</b>
<b>(2) Non-current liabilities</b>			
(a) Long-term borrowings	4	837.17	951.06
(b) Deferred tax liabilities (Net)	5	378.48	630.03
<b>Total Non-current liabilities</b>		<b>1,215.65</b>	<b>1,581.09</b>
<b>(3) Current liabilities</b>			
(a) Short-term borrowings	6	8,523.25	9,355.84
(b) Trade payables			
(i) Total outstanding dues of micro and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises	7	-	264.33
(c) Other current liabilities	8	432.12	370.48
(d) Short-term provisions	9	358.34	165.30
<b>Total current liabilities</b>		<b>9,313.71</b>	<b>10,155.95</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>21,578.38</b>	<b>20,446.29</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant & Equipment and Intangible Assets			
(i) Property, Plant & Equipment	10	3,102.58	3,221.82
(ii) Intangible Assets	11	-	-
(b) Non-current investments	12	79.40	110.07
(c) Other Non-current Asset	13	40.04	33.85
<b>Total Non-Current Assets</b>		<b>3,222.02</b>	<b>3,365.74</b>
<b>(2) Current assets</b>			
(a) Inventories	14	11,061.33	12,169.86
(b) Trade Receivables	15	4,848.22	2,419.50
(c) Cash and Cash Equivalents	16	1,283.14	1,574.78
(d) Short-Term Loans and Advances	17	1,109.75	859.19
(e) Other Current Assets	18	53.92	57.22
<b>Total Current Assets</b>		<b>18,356.36</b>	<b>17,080.55</b>
<b>TOTAL ASSET</b>		<b>21,578.38</b>	<b>20,446.29</b>
Significant Accounting Policies & Notes to Account	1 To 38		

AS PER OUR REPORT ATTACHED

FOR M. HAWA &amp; ASSOCIATES

CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD

( M. M. HAWA )

PROPRIETOR

M. NO.: 040790

PLACE : AHMEDABAD

DATE : 06th July 2024



(NITIN R. PATEL)

DIRECTOR

DIN NO. 01872924

(VASHISTHA N PATEL)

DIRECTOR

DIN NO. 0953577

PLACE : AHMEDABAD

DATE : 06th July 2024

**SHRI BHAGWATI FLOUR MILLS PRIVATE LIMITED**

(CIN: U15310GJ1992PTC017267)

**Statement of Profit or loss for the year ended 31st March, 2024**

Particulars	Note No.	(Figures in Lakhs)	
		31st March, 2024	31st March, 2023
Revenue from operations	19	✓ 1,05,129.45	✓ 87,002.77
Other income	20	✓ 28.31	✓ 108.44
<b>Total Revenue</b>		<b>1,05,157.76</b>	<b>87,111.21</b>
<b>Expenses:</b>			
Cost of materials consumed	21	✓ 79,229.10	✓ 67,236.03
Purchases of stock-in-trade	22	✓ 17,445.84	✓ 12,318.76
Changes in inventories of finished goods and Stock-in-Trade	23	✓ (129.67)	✓ 16.03
Employee benefits expense	24	✓ 1,005.92	✓ 1,236.60
Finance costs	25	✓ 690.51	✓ 307.55
Depreciation and amortization expense		✓ 489.11	✓ 417.03
Other expenses	26	✓ 3,489.61	✓ 3,333.78
<b>Total expenses</b>		<b>1,02,220.42</b>	<b>84,865.78</b>
<b>Profit before tax</b>		<b>2,937.34</b>	<b>2,245.43</b>
<b>Tax expense:</b>			
(1) Current tax	27	✓ 850.00	✓ 760.00
(2) Deferred tax expense/ (income)	5	✓ (251.54)	✓ (17.45)
(3) Taxes of earlier years		(0.89)	(78.53)
<b>Profit (Loss) for the period</b>		<b>2,339.77</b>	<b>1,581.41</b>
<b>Earnings per equity share:</b>			
(1) Basic	32	55.05	37.21
(2) Diluted		55.05	37.21

**AS PER OUR REPORT ATTACHED  
FOR M. HAWA & ASSOCIATES  
CHARTERED ACCOUNTANTS**

**FOR AND ON BEHALF OF THE BOARD**




**(M. M. HAWA)**

**PROPRIETOR**

**M. NO.: 040790**

**PLACE : AHMEDABAD**

**DATE : 06th July 2024**



**(NITIN R. PATEL)**

**(VASHISTHA N. PATEL)**

**DIRECTOR**

**DIRECTOR**

**DIN NO. 01872924**

**DIN NO. 0953577**

**PLACE : AHMEDABAD**

**DATE : 06th July 2024**

**SHRI BHAGWATI FLOUR MILLS PRIVATE LIMITED**

**Statement of cash flow for the year ended 31st March, 2024**

Particulars	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
<b>A. Cashflow from Operating Activities</b>		
Net Profit Before Tax	2,937.34	2,245.43
<b>Adjustment for :</b>		
Depreciation	489.11	417.03
Interest and Finance Charges	690.51	307.55
Dividend Received	(0.07)	(0.07)
Interest Income	(2.60)	(7.74)
Land Lease Rent Income	(18.00)	(18.54)
Capital Gain on Mutual Fund	(0.11)	(78.85)
Profit & Loss on Sale of Assets	(2.57)	(3.05)
<b>Operating Profit before working capital changes</b>	<b>4,093.61</b>	<b>2,861.76</b>
<b>Adjustment for:</b>		
Inventories	1,108.52	(7,556.00)
Trade Receivable	(2,428.72)	(672.34)
Short-term Loans & Advances	(250.56)	(56.59)
Long-term Loans & Advances	(6.19)	(3.56)
Short Term Provision	(656.96)	(710.65)
Other Current Assets	(641.32)	(12,707.06)
Trade Payable	(264.33)	(194.75)
Other Current Liabilities and Provisions	61.63	155.97
<b>Sub Total</b>	<b>(3,077.93)</b>	<b>(21,744.98)</b>
<b>Cash Generated from operation</b>	<b>1,015.68</b>	<b>(18,883.22)</b>
Less: Direct Taxes Paid	(643.46)	517.36
<b>Net Cash from operating activities</b>	<b>1,659.14</b>	<b>(19,400.58)</b>
<b>B. Cash flow from Investment Activities</b>		
Purchase of Fixed Assets	(371.48)	(332.95)
Sale of Investments	30.78	166.84
Sales of Fixed Assets	4.20	4.75
Dividend Received	0.07	0.07
Interest Received	4.62	13,303.44
Land Lease Rent Income	18.00	18.54
<b>Net Cash Used in Investing Activities</b>	<b>(313.80)</b>	<b>13,160.69</b>
<b>C. Cash flow from financing Activities</b>		
Interest and Finance Charges Paid	(690.51)	(307.55)
Net Long term borrowings acquired or (repaid)	(113.89)	73.70
Net Short term borrowings acquired or (repaid)	(832.59)	6,654.50
<b>Net Cash Used in Financing Activities</b>	<b>(1,636.99)</b>	<b>6,420.65</b>





**SHRI BHAGWATI FLOUR MILLS PRIVATE LIMITED**  
**Statement of cash flow for the year ended 31st March, 2024**

Particulars	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
Net (Decrease)/ Increase in Cash and Cash Equi.	(291.65)	180.76
Cash and Cash Equivalent - Opening Balance	1,574.78	1,394.02
Cash and Cash Equivalent - Closing Balance	1,283.13	1,574.78
Cash on Hand	16.60	8.26
Balance with Schedule Banks in Current Accounts	1,266.54	1,566.52
<b>Total Cash &amp; Cash Equivalent as per Balance Sheet</b>	<b>1,283.13</b>	<b>1,574.78</b>

**Notes to the cash flow statement for the year ended on 31.03.2024**

- (1) The Cash flow statement has been prepared in accordance with the requirements of Accounting Standard - 3 "Cash flow statement"
- (2) Figures in brackets indicate cashflow.
- (3) The previous year figures have been regrouped/restated wherever necessary to confirm to this year's classification.

**As per our attached report of even date**

**AS PER OUR REPORT ATTACHED  
FOR M. HAWA & ASSOCIATES  
CHARTERED ACCOUNTANTS**



**(M. M. HAWA)  
PROPRIETOR  
M. NO.: 40790**

**PLACE : AHMEDABAD  
DATE : 06th July 2024**

**FOR AND ON BEHALF OF THE BOARD**

**(NITIN R. PATEL) (VASHISTHA N. PATEL)  
DIRECTOR DIRECTOR  
DIN NO. 01872924 DIN NO.00953577**

**PLACE : AHMEDABAD  
DATE : 06th July 2024**

## SHRI BHAGWATI FLOUR MILLS PRIVATE LIMITED

Notes forming part of the accounts for the year ended 31st March, 2024

### A Company Overview:

Shri Bhagwati Flour Mills Private Limited is a private company domiciled in India and incorporated under the provisions of the Companies Act.

The company's main business is of processing manufacturing of varied Flours, Pulses, And a whole range of food items and ingredients that are an integral part of rich Indian Cuisine.

### 1 Significant Accounting Policies:

#### a. Basis of Preparation of Financial Statement

The Financial Statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, including the Accounting Standards as prescribed by the Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Accounts) Rules, 2021.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013.

#### b. Use of Estimates

The preparation of the financial statements in conformity with GAAP requires Management to make estimates and judgments that affect the reported balances of assets and liabilities and disclosure relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period for the periods presented.

Management believes that the estimates used like Net realizable value of Inventories etc. in the preparation of financial statements are prudent and reasonable. Future results could differ from these estimates.

The following significant accounting policies are adopted in the preparation and presentation of these financial statements:

#### 1.01 Revenue Recognition

In appropriate circumstances, Revenue is recognised on accrual basis when no significant uncertainty as to determination or realization exists.

In the financial statement, revenue from operation does not include Indirect taxes like Sales Tax And/ Or Goods & Service Tax.



## SHRI BHAGWATI FLOUR MILLS PRIVATE LIMITED

### Notes forming part of the accounts for the year ended 31st March, 2024

#### (i) Sale of Goods:

Sales are recognized, net of returns and trade discounts, on transfer of significant risk and rewards of ownership to the buyer, which generally coincide with the delivery of goods to the customers. The Company collects Goods and Service Tax (GST) and / or Tax Collected at source on behalf of the government and, therefore, these do not form a part of economic benefits flowing to the Company. Hence, they are excluded from revenue.

Significant risk and rewards of ownership transfer as follow : -

(a) Domestic Sales : On delivery of goods to the customer ;

(b) Export Sales : On the basis of FOB as well as CIF terms ;

#### (ii) Sale of Service:

Income from service rendered is recognised based on the terms of the agreements as and when services are rendered and are net of Goods and Service Tax (GST)/ Service tax.

#### (iii) Export Incentives:

Income from export incentives such as duty drawback and RODTEP are recorded on accrual basis.

#### (iv) Interest Income:

Interest income on deposits with banks is recognized on a time proportion accrual basis considering the amount outstanding and the rate applicable.

#### (v) Dividend Income:

Dividend income from investments, if any, is accounted on the receipt basis.

#### (vi) Insurance Claim:

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

#### (vii) Profit/loss on sale/redemption of investments

Profit/loss on sale/redemption of investments is arrived at by applying weighted average cost and recognized on the date of actual sale/redemption.



## SHRI BHAGWATI FLOUR MILLS PRIVATE LIMITED

Notes forming part of the accounts for the year ended 31st March, 2024

### 1.02 Property, Plant And Equipment

Property, Plant and Equipments ("PPE") are stated at cost of acquisition inclusive of expenses directly attributable / related to the acquisition/ construction/erection of such assets. GST and other applicable taxes paid on acquisition of property, plant and equipment are capitalized to the extent not available/ utilizable as input tax credit under GST or other relevant law in force.

Expenditure incurred on renovation and modernization of PPE on completion of the originally estimated useful life resulting in increased life and/or efficiency of an existing asset, is added to the cost of the related asset. In the carrying amount of an item of PPE, the cost of replacing the part of such an item is recognized when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition principles.

Borrowing costs directly attributable to the acquisition, 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 asset.

After initial recognition, PPE is carried at cost less accumulated depreciation/amortization and accumulated impairment losses, if any.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

### Intangible Assets

Intangible assets are recognised at acquisition cost when the asset is identifiable, non monetary in nature, without physical substance and is probable that such expenditure is to result in future economic benefits to the entity.

Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Gains or losses arising from derecognition of an intangible asset 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.



## SHRI BHAGWATI FLOUR MILLS PRIVATE LIMITED

Notes forming part of the accounts for the year ended 31st March, 2024

### Capital Work In Progress

Capital work in progress is stated at cost, net of impairment losses, if any. Cost comprises of the cost of items of PPE not yet commissioned, incidental pre-operative expenses and borrowing costs.

### Intangible Assets Under Developments

Intangible assets under development consists of cost capitalized since the development costs are measurable reliably, the product or process is technically, and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use the asset. The expenditure capitalized includes the cost of purchase of license, direct labour and overheads costs that are directly attributable to preparing the asset to its intended use.

### Depreciation and Amortization:

#### Property Plant and Equipment and Intangible Assets

(i) Depreciation on Property, Plant and Equipment and Intangible Assets is recognised in profit or loss using "Straight Line Method". Depreciation is provided based on useful life of the assets as prescribed in schedule II of the Companies Act, 2013. Depreciation is charged proportionately from/to the date of acquisition/disposal.

(ii) Depreciation on Windmill is taken on "Written down value method" at the rate specified and in accordance with the provision of Schedule II of the Companies Act, 2013.

Following table provides the details of useful lives of the items of PPE:

Nature of Assets	Estimated useful life
Office Equipments	5 Years
Computer & Printers	3 Years
Furniture & Fixtures	10 Years
Plant & Machinery	15 Years
Plant & Machinery Structure	20 Years
Vehicles	8 Years
Vehicles (Two Wheelers)	10 Years
Factory Buildings	10, 15, 20 & 30 Years
Windmill	20 Years
Computer Software	3 Years

The depreciation methods, estimated useful lives, and residual values of the PPE and Intangible assets are reviewed at the end of each reporting period. The effect of changes in these estimates is accounted on a prospective basis.



## SHRI BHAGWATI FLOUR MILLS PRIVATE LIMITED

Notes forming part of the accounts for the year ended 31st March, 2024

### 1.03 Impairments

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

### 1.04 Investments:

Long term investment are stated at cost less amount written off, where there is a diminution in its value of long term nature. Current investments are stated at lower of cost and fair value. Gain or loss arising from sale or disposal of such investment is accounted at the time of actual sale or disposal.

### 1.05 Inventories:

(i) Raw-materials and Packing materials and Stores & Spares are stated at cost or net realizable value whichever is lower.

(ii) By products are valued at net realizable value.

(iii) Finished goods are valued at cost or net realizable value whichever is lower.

Cost comprises direct materials and where applicable, direct labour costs, those overheads that have been incurred in bringing the inventories to their present location and condition.

### 1.06 Cash & Cash Equivalents

Cash and cash equivalents comprise cash and cash on deposit with banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.



**1.07 Employee Benefit**

**(a) Short Term Employee Benefits**

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus, and ex gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

**(b) Post-Employment Benefits**

**Defined Contribution Plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

**Defined Benefits Plans**

The Company's gratuity benefit scheme is a funded defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. Such benefit is discounted to determine its present value and the fair value of any plan assets is deducted to arrive at the net obligation.

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

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government securities as at the balance sheet date. When the calculation results in a benefit to the Company, the recognized asset is limited to the net total of any unrecognized actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.



## SHRI BHAGWATI FLOUR MILLS PRIVATE LIMITED

Notes forming part of the accounts for the year ended 31st March, 2024

### 1.08 Borrowing Cost

Borrowing costs directly attributable to the acquisition, 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 asset. All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and other costs that the company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

### 1.09 Foreign Currency Transactions

(i) Transactions in foreign currencies are recorded in Indian Rupees using the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, recorded monetary balances are reported in Indian Rupees at the rates of exchange prevailing at the balance sheet date. All realised and unrealised exchange adjustment gains and losses are dealt with in the profit and loss account.

(ii) In order to hedge exposure to foreign exchange risks arising from Export or Import foreign currency, bank borrowings and trade receivables, the Company enters into forward contracts. In case of forward exchange contracts, the cost of the contracts is amortised over the period of the contract. Any profit or loss arising on the cancellation or renewal of a forward exchange contract is recognised as income or expenses for the year.

(iii) Exchange difference is calculated as the difference between the foreign currency amount of the contract translated at the exchange rate at the reporting date, or the settlement date where the transaction is settled during the reporting period and the corresponding foreign currency amount translated at the later of the date of inception of the forward exchange contract and the last reporting date. Such exchange differences are recognized in the profit and loss account in the reporting period in which the exchange rates change.

(iv) Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

### 1.10 Accounting For Taxes On Income

- (i) Current tax is determined as the amount of tax payable in respect of taxable income for the year.
- (ii) Deferred Tax is recognised, on timing difference, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.





## SHRI BHAGWATI FLOUR MILLS PRIVATE LIMITED

Notes forming part of the accounts for the year ended 31st March, 2024

- (iii) Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognized if there is virtual certainty that sufficient future taxable income will be available against which such assets can be realized. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Such assets are reviewed at each Balance sheet date to reassess realization.
- (iv) 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.

### 1.11 Provisions And Contingent Liabilities

#### Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

#### Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

#### Contingent Assets

Contingent assets are not recognized but disclosed when the inflow of economic benefits is probable. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognized as an asset.



## SHRI BHAGWATI FLOUR MILLS PRIVATE LIMITED

Notes forming part of the accounts for the year ended 31st March, 2024

### 1.12 Cash Flow Statement

Cash Flow Statement is prepared in accordance with the Indirect Method prescribed in the relevant Accounting Standard. For the purpose of presentation in the cash flow statement, cash and cash equivalents includes cash on hand and other highly liquid investments with maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### 1.13 Earning Per Share

Basis of earning per share are calculated by dividing the net profit or loss for the period attributable to equity shareholder by the weighted average number of equity share outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholder and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive equity shares.

### 1.14 Segment Reporting

As per the Accounting Standard (AS 17) on "Segment Reporting", the company prepares its segment information in conformity with the accounting policies adopted for presenting the financial statement as a whole.

Allocation of common cost: common allocable cost is proportionally allocated to each segment according to their contribution.

### 1.15 Current & Non-Current

The assets and liabilities reported in the balance sheet are classified on a "current/ Non current basis" with separate reporting of assets held for sale and liabilities. Current assets, which include cash and cash equivalent, are assets that are intended to be realized or sold during the normal operating cycle of company or in the 12 months following the balance sheet date. Current liabilities are liabilities that are expected to be settled during the normal operating cycle of the company or within 12 months following the close of the financial year.

### 1.16 Leases

#### Operating Leases

Leases where the lesser 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 straight-line basis over the lease term.

#### Finance Leases

Lease where the lessor effectively transfers to the Company substantially all the risks and benefits incidental to ownership of the leased item, are classified as finance leases.



## NOTES TO THE FINANCIAL STATEMENTS

## 2 SHARE CAPITAL

PARTICULARS	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
<b>AUTHORISED</b>		
50 Lakh Equity Shares of ₹10/- each (Previous Year 50 Lakhs Equity Shares)	500.00	500.00
	500.00	500.00
<b>ISSUED, SUBSCRIBED &amp; PAID UP SHARE CAPITAL</b>		
42.50 Lakh Equity Shares of ₹10/- each (Previous Year 42.50 Lakhs Equity Shares)	425.00	425.00
	425.00	425.00

A Reconciliation of the number of Equity Shares outstanding at the beginning and at the end of the reporting Period:

Particulars	Equity Shares	
	31st March, 2024	31st March, 2023
As at the beginning of the year	42,50,000	42,50,000
Add: Issued during the year	-	-
	42,50,000	42,50,000
Less: Bought Back during the year	-	-
As at the end of the year	42,50,000	42,50,000

**Rights, Preferences And Restrictions Attached To Shares**

Each share holder is eligible to one vote per share held.

The company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend 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 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.



**SHRI BHAGWATI FLOUR MILLS PRIVATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**B Details of Shareholders holding more than 5% Shares:**

Particulars	31st March, 2024		31st March, 2023	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Shareholders holding more than 5% shares				
Mr. Nitinbhai Patel	↓21,74,400	51.16%	↓21,74,400	51.16%
Mr. Vashishth Patel	↓9,13,800	21.50%	↓9,13,800	21.50%
Mrs. Hemanginiben Patel	↓8,11,800	19.10%	↓8,11,800	19.10%
Mrs. Amulaben Patel	↓3,50,000	8.24%	↓3,50,000	8.24%

**C Disclosures of Shareholding of Promoters**

PARTICULARS	31st March, 2024		
	% of total share	No of Shares	% change during the year
<b>Equity Shares of Rs.10 Each Fully Paid</b>			
Mr. Nitinbhai Patel	51.16	↓ 21,74,400	0%
Mr. Vashishth Patel	21.50	↓9,13,800	0%
Mrs. Hemanginiben Patel	19.10	↓8,11,800	0%
Mrs. Amulaben Patel	8.24	↓3,50,000	0%

Particulars	31st March, 2023		
	% of total share	No of Shares	% change during the year
<b>Equity Shares of Rs.10 Each Fully Paid</b>			
Mr. Nitinbhai Patel	51.16	↓21,74,400	0.00%
Mr. Vashishth Patel	21.50	↓9,13,800	0.00%
Mrs. Hemanginiben Patel	19.10	↓8,11,800	0.00%
Mrs. Amulaben Patel	8.24	↓3,50,000	0.00%

As per the records of the Company, including its register of shareholders/members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.



**SHRI BHAGWATI FLOUR MILLS PRIVATE LIMITED**

**Notes to the Financial Statements**

**3. RESERVES AND SURPLUS**

PARTICULARS	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
<b>General Reserve</b>		
Opening Balance	15.84	15.84
Add :- Addition during the year	-	-
<b>Closing Balance (A)</b>	<b>15.84</b>	<b>15.84</b>
<b>Surplus in Profit &amp; Loss:</b>		
Opening Balance	8,268.41	6,687.00
Add :- Profit for the year	2,339.77	1,581.41
<b>Closing Balance (B)</b>	<b>10,608.18</b>	<b>8,268.41</b>
<b>TOTAL RESERVES (A+B)</b>	<b>10,624.02</b>	<b>8,284.25</b>

**4. LONG TERM BORROWINGS**

Particulars	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
<b>Unsecured Borrowings:</b>		
Unsecured Loan from Directors	837.17	951.06
<b>TOTAL</b>	<b>837.17</b>	<b>951.06</b>

**Unsecured Borrowings**

The company has availed loan from Directors which are repayable on demand. Term of interest is as per agreement i.e 12% p.a.

**5. DEFERRED TAX LIABILITIES**

Particulars	31st March, 2024		
	(Figures in Lakhs)		
	Opening Balance	Recognised in Profit & Loss	Closing Balance
<b>a. Deferred Tax Assets</b>			
Provision for Expense allowable on cash basis	-	-	-
<b>Total Deferred Tax Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>b. Deferred Tax Liabilities</b>			
Property, Plant & Equipment and Intangible assets	630.03	(251.54)	378.48
<b>Total Deferred Tax Liabilities</b>	<b>630.03</b>	<b>(251.54)</b>	<b>378.48</b>
<b>Deferred Tax (Assets)/Liabilities (Net)</b>	<b>630.03</b>	<b>(251.54)</b>	<b>378.48</b>



Particulars	31st March, 2023		
	(Figures in Lakhs)		
	Opening Balance	Recognised in Profit & Loss	Closing Balance
<b>a. Deferred Tax Assets</b>		-	-
Provision for Expenses	-	-	-
<b>b. Deferred Tax Liabilities</b>			
Property, Plant & Equipment and Intangible assets	647.48	(17.45)	630.03
<b>Total Deferred Tax Liabilities</b>	647.48	(17.45)	630.03
<b>Deferred Tax (Assets)/Liabilities (Net)</b>	<b>647.48</b>	<b>(17.45)</b>	<b>630.03</b>

The above deferred tax is calculated on the basis of substantively enacted tax rate of 25.168% (PY 25.168%)

#### 6. SHORT TERM BORROWINGS

Particulars	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
<b>SECURED BORROWINGS</b>		
<b>From Banks</b>		
Cash Credit for Working Capital Requirement	8,523.25	9,355.84
<b>TOTAL</b>	<b>8,523.25</b>	<b>9,355.84</b>

(A) The Company has taken working capital loan from Axis bank in form of Cash Credit of Rs.12,500 Lakh @ Interest rate of 8.20% p.a ( Repo Rate+1.70%) secured against entire current asset of the company.

Collateral securities common to Term Loans and Working Capital Loan are as under:

- (i) Extension of Equitable mortgage on Factory land and building located at F.P. 471, Naroda, Siddheshwari Estate, Ahmedabad owned by the company.
- (ii) Extension of Equitable mortgage on Factory land located at F.P. 469, Naroda, Siddheshwari Estate, Ahmedabad, owned by Mr. Nitin R Patel.
- (iii) Extension of Equitable mortgage on Factory land with construction proposed located at Survey No. 477, GIDC Plot No. P/4 (CM 1 to 4), Near Gujarat Metal Industries, Ahmedabad, owned by the company.Naroda,
- (iv) Personal guarantee of Directors Nitinbhai Patel, Vashishtbhai Patel, Hemanginiben Patel, and Amulaben Patel.
- (v) Company is not declared wilful defaulter by bank or financial institutions or other lenders.Registration for charges or satisfaction with Registrar of Companies have been filed by the Company.



(B) Borrowings Secured against Current Assets:

(Figures in ₹)

Quarter ended	Name of Bank	Details of Security Provided	Amount as per Books	Amount reported in quarterly returns	Amount of Difference	Reason for Material discrepancies#
Jun-23		Inventory	11,093.18	11,093.18	-	
		Receivables	2,574.75	2,574.75	-	
Sep-23		Inventory	15,974.69	15,974.69	-	
		Receivables	2,697.25	2,697.25	-	
Dec-23	Axis Bank	Inventory	14,942.24	14,942.24	-	
		Receivables	2,498.70	2,498.70	-	
Mar-24		Inventory*	11,061.33	12,108.48	(1,047.15)	
		Receivables	4,848.22	4,845.28	2.94	Note-1

# Considered Upto 5% of amount reported in quarterly returns

\* The Company has valued the inventory at the market value at the respective date to submit the Inventory Statement to the bank whereas inventory valuation as per AS-2 is at the Cost or Net Realisable Value Whichever is less in the Books of Account.



## 7. TRADE PAYABLES

PARTICULARS	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
(i) Total outstanding dues of micro enterprises and small enterprises;	-	-
(i) Total outstanding dues other than of micro enterprises and small enterprises;	-	-
For Goods	-	31.83
For Expenses	-	232.50
<b>TOTAL</b>	<b>-</b>	<b>264.33</b>

As explained to us, the company has requested all vendors to provide evidence of MSME Registration. However, The Company has not received confirmation from any vendor with evidence. Based on the above information, the company has not shown any amount outstanding to MSME Vendor. Further, in view of the Management, the impact of interest, if any, that may be payable in accordance with the provision of the Act is not expected to be material. The company has not received any claim for interest from any supplier as at the Balance Sheet date. The company has neither paid any interest nor provided for interest to MSME Vendor.

PARTICULARS	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
(i) MSME	-	-
(ii) Others		
<b>For Raw Material</b>		
Not Due	-	14.69
Less than 1 year	-	17.13
1-2 Years	-	-
2-3 years	-	-
More than 3 years	-	-
<b>For Expenses &amp; Services</b>		
Not Due	-	222.94
Less than 1 year	-	8.21
1-2 Years	-	1.32
2-3 years	-	0.04
More than 3 years	-	-
(iii) Disputed dues - MSME	-	-





PARTICULARS	(Figures in ₹)	
	31st March, 2024	31st March, 2023
(a) Principal amount remaining unpaid to any supplier as at the year end	-	-
(b) Interest due remaining unpaid to any supplier as at the year end	-	-
(c) Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the	-	-
(d) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed	-	-
(e) Amount of interest accrued and remaining unpaid at the end of the financial year	-	-
(f) 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.	-	-
<b>Total</b>		

On the basis of information and records available with the Company, the above disclosures are made in respect of amounts due to the micro enterprises and small enterprises, who have registered with relevant competent authorities. This has been relied upon by the auditors.



**SHRI BHAGWATI FLOUR MILLS PRIVATE LIMITED**

**Notes to the Financial Statements**

**8 OTHER CURRENT LIABILITIES**

Particulars	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
(a) Statutory Dues Payable	110.19	202.90
(b) Advances Received from customers	7.54	4.20
(c) Other Payables	314.39	163.38
<b>TOTAL</b>	<b>432.12</b>	<b>370.48</b>

**9 SHORT TERM PROVISIONS**

Particulars	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
(a) Provision for Income Tax (Net)	358.34	165.30
<b>TOTAL</b>	<b>358.34</b>	<b>165.30</b>



SHRI BHAGWATI FLOUR MILLS PVT. LTD.

Notes to Financial Statements

10. PROPERTY, PLANT AND EQUIPMENT

(Figures in Lakhs)

Particulars	Gross Block			Depreciation Fund			Net Block		
	As at 1-04-2023	Additions	Deduction	As at 31-03-2024	As at 1-04-2023	For the year	Adjust.	As at 31-03-2024	As at 31-03-2023
<b>A) Property, Plant &amp; Equipment</b>									
Freehold Land	16.16	-	-	16.16	-	-	-	16.16	16.16
Land under Lease	71.38	-	-	71.38	12.49	0.71	-	58.18	58.89
Building	1,022.40	-	-	1,022.40	408.58	31.86	-	581.96	613.82
Plant and Equipment	2,624.44	335.34	(0.00)	2,959.78	1,700.45	233.50	-	1,025.83	923.99
Furniture & Fixtures	62.06	-	-	62.06	31.30	5.90	-	24.86	30.76
Office Equipments	45.33	2.56	-	47.89	35.66	2.19	-	10.04	9.66
Vehicles	301.09	33.58	(23.01)	311.66	184.78	30.58	(21.38)	117.69	116.32
<b>Total</b>	<b>4,142.86</b>	<b>371.48</b>	<b>(23.01)</b>	<b>4,491.33</b>	<b>2,373.26</b>	<b>304.75</b>	<b>(21.38)</b>	<b>1,834.72</b>	<b>1,769.60</b>
<b>B) Wind Mill</b>									
Plant and Equipment	3,621.70	-	-	3,621.70	2,169.48	184.36	-	1,267.86	1,452.22
<b>Total</b>	<b>3,621.70</b>	<b>-</b>	<b>-</b>	<b>3,621.70</b>	<b>2,169.48</b>	<b>184.36</b>	<b>-</b>	<b>1,267.86</b>	<b>1,452.22</b>
<b>Total (A+B)</b>	<b>7,764.56</b>	<b>371.48</b>	<b>(23.01)</b>	<b>8,113.03</b>	<b>4,542.74</b>	<b>489.11</b>	<b>(21.38)</b>	<b>3,102.58</b>	<b>3,221.82</b>
<b>Previous Year</b>	<b>7,439.41</b>	<b>332.95</b>	<b>(7.79)</b>	<b>7,764.57</b>	<b>4,131.82</b>	<b>417.03</b>	<b>(6.09)</b>	<b>3,221.82</b>	<b>3,307.59</b>

Note -1 :- Title deed of immovable property are held in the name of company except the land under lease.



SHRI BHAGWATI FLOUR MILLS PVT. LTD.

Notes to Financial Statements

11. INTANGIBLE ASSETS

(Figures in Lakhs)

Particulars	Gross Block			Depreciation Fund			Net Block		
	As at 1-04-2023	Additions	Deduction	As at 31-03-2024	As at 1-04-2023	For the year	Adjust.	As at 31-03-2024	As at 31-03-2023
Intangible assets: Trademark	1.20	-	-	1.20	1.20	-	-	1.20	-
<b>Total</b>	<b>1.20</b>	<b>-</b>	<b>-</b>	<b>1.20</b>	<b>1.20</b>	<b>-</b>	<b>-</b>	<b>1.20</b>	<b>-</b>
Previous Year	1.20	-	-	1.20	1.20	-	-	1.20	-



**SHRI BHAGWATI FLOUR MILLS PRIVATE LIMITED**

**Notes to the Financial Statements**

**12 NON-CURRENT INVESTMENTS**

Particulars	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
(a) Investments in Immovable Properties	78.94	78.94
(b) Investments in Equity Shares - Unquoted	0.46	0.46
(c) Investments in Mutual Funds	-	30.67
<b>TOTAL</b>	<b>79.40</b>	<b>110.07</b>

**B. AGGREGATE VALUE OF INVESTMENT IN UNQUOTED SHARE**

Particulars	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
<b>Non-Current</b>		
Cosmos Co. Op. Bank Ltd. (20 Shares of Rs 100 each fully paid)	0.02	0.02
KCB Ltd (1750 Shares of Rs 25 each fully paid)	0.44	0.44
<b>TOTAL</b>	<b>0.46</b>	<b>0.46</b>

**13 OTHER NON-CURRENT ASSET**

Particulars	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
Secured & considered Good		
(a) Security Deposits	13.08	8.41
(b) Fixed Deposit against Torrent Bank Guarantee	24.26	22.89
(c) Fixed Deposit With Axis Bank	2.70	2.55
<b>TOTAL</b>	<b>40.04</b>	<b>33.85</b>

Of the above, Fixed Deposit of ₹ 24.26 Lakh (Previous Year: ₹ 22.89 Lakh) is Lien against Bank Guarantee.

**14 INVENTORIES**

Particulars	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
(a) Raw Materials	9,899.57	11,567.07
(b) Finished Goods	687.80	558.13
(c) Stock in Trade	435.34	-
(c) Packing Material	36.37	42.16
(d) Stores & Spares	2.25	2.50
<b>TOTAL</b>	<b>11,061.33</b>	<b>12,169.86</b>



# SHRI BHAGWATI FLOUR MILLS PRIVATE LIMITED

## Notes to the Financial Statements

1. Raw materials and Packing materials are valued at cost or net realizable value whichever is lower.
2. Finished goods are valued at cost or net realizable value whichever is lower.
3. Others are valued at Cost or net realizable value whichever is lower.

### 15. TRADE RECEIVABLES

PARTICULARS	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
(i) Undisputed Trade Receivables - Considered Good	4,848.22	2,419.50
(ii) Undisputed Trade Receivables - Considered doubtful	-	-
(iii) Disputed Trade Receivables Considered good	-	-
(iv) Disputed Trade Receivables Considered doubtful	-	-
<b>TOTAL</b>	<b>4,848.22</b>	<b>2,419.50</b>

### TRADE RECEIVABLES AGEING SCHEDULE

PARTICULARS	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
<b>Outstanding for following periods from due date of payment</b>		
<b>( i ) Undisputed Trade Receivables - Considered Good</b>		
Less than 6 Month	4,835.86	2,406.72
6 month to 1 year	6.52	3.93
1-2 Years	3.70	3.25
2-3 Years	0.88	1.03
More than 3 Years	1.26	4.59

Note: (i) The above receivables includes receivable from related party in which director are interested of Rs. 1538.87 Lakhs (Rs. 783.85 Lakhs in Previous Year)

(ii) The Company has called for balance confirmation of Trade Receivables on random basis. However, Company has not received response from the parties. The other balances of Trade Receivables are subject to confirmation.



**SHRI BHAGWATI FLOUR MILLS PRIVATE LIMITED**

**Notes to the Financial Statements**

**16 CASH AND CASH EQUIVALENT**

Particulars	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
(a) Balances with Bank - Current Account	₹1,266.54	₹1,566.52
(b) Cash on Hand	₹16.60	₹8.26
<b>TOTAL</b>	<b>1,283.14</b>	<b>1,574.78</b>

**17 SHORT TERM LOANS AND ADVANCES**

(Unsecured and Considered Good)

Particulars	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
(a) Advance payment to suppliers	₹1,098.96	₹836.50
(b) Other Advances		
(i) Staff Advance	₹10.79	₹22.69
<b>TOTAL</b>	<b>1,109.75</b>	<b>859.19</b>

**18 OTHER CURRENT ASSETS**

Particulars	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
(a) Interest Receivables	₹0.29	₹2.30
(b) Windmill Energy Income Receivable	₹34.37	₹29.20
(c) Balances with Government authorities	-	₹1.02
(d) Gratuity Assets ( Refer Note 29 )	₹9.07	₹11.14
(e) Prepaid Expenses	₹10.19	₹13.56
<b>TOTAL</b>	<b>53.92</b>	<b>57.22</b>



**SHRI BHAGWATI FLOUR MILLS PRIVATE LIMITED**

**Notes to the Financial Statements**

**19 REVENUE FROM OPERATIONS**

PARTICULARS	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
(a) Sales of Goods		
Manufactured goods	₹87,035.39	₹73,685.48
Traded Goods	₹17,533.93	₹12,809.39
(b) Sales of Power Unit	₹463.37	₹507.90
(c) Jobwork Charges	₹96.76	-
<b>TOTAL</b>	<b>1,05,129.45</b>	<b>87,002.77</b>

**20 OTHER INCOME**

PARTICULARS	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
(a) Interest Income	₹2.60	₹7.74
(b) Dividend Income	₹0.07	₹0.07
(c) Profit on sale of investment in Unit (AIF Mutual Fund)	₹0.11	₹78.85
(e) Rental Income	₹18.00	₹18.54
(d) Profit on Sale of assets	₹2.57	₹3.25
(e) Insurance Claim	₹4.96	-
<b>TOTAL</b>	<b>28.31</b>	<b>108.44</b>

**21 COST OF MATERIALS CONSUMED**

PARTICULARS	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
(a) Gram	₹61,642.47	₹48,064.26
(b) Wheat	₹17,586.63	₹19,171.77
(c) Yellow peas	-	-
<b>TOTAL</b>	<b>79,229.10</b>	<b>67,236.03</b>

**22 PURCHASES OF STOCK-IN-TRADE**

PARTICULARS	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
(a) Gram	₹16,240.36	₹11,636.34
(b) Wheat	₹1,205.48	₹593.43
(c) Toor	-	₹88.99
<b>TOTAL</b>	<b>17,445.84</b>	<b>12,318.76</b>





**SHRI BHAGWATI FLOUR MILLS PRIVATE LIMITED**

**Notes to the Financial Statements**

**23 CHANGE IN INVENTORIES OF FINISHED GOODS,WIP & STOCK IN TRADE**

PARTICULARS	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
Opening Stock		
(i) Finished Goods	₹558.13	₹355.60
(ii) Traded Goods	-	₹218.56
<b>TOTAL (A)</b>	<b>558.13</b>	<b>574.16</b>
Closing Stock		
(i) Finished Goods	₹687.80	₹558.13
(ii) Traded Goods	-	-
<b>TOTAL (B)</b>	<b>687.80</b>	<b>558.13</b>
<b>TOTAL (A - B)</b>	<b>(129.67)</b>	<b>16.03</b>

**24 EMPLOYEE BENEFITS EXPENSES**

PARTICULARS	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
(a) Salaries and Wages	₹914.76	₹1,172.06
(b) Contribution to Provident and Other Funds	₹72.19	₹57.57
(c) Staff welfare expenses	₹18.97	₹6.97
<b>TOTAL</b>	<b>1,005.92</b>	<b>1,236.60</b>

**25 FINANCE COSTS**

PARTICULARS	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
(a) Interest expenses	₹637.63	₹292.85
(b) Other Finance Charges	₹52.88	₹14.70
<b>TOTAL</b>	<b>690.51</b>	<b>307.55</b>



**SHRI BHAGWATI FLOUR MILLS PRIVATE LIMITED**

**Notes to the Financial Statements**

**26 OTHERS EXPENSES**

PARTICULARS	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
(a) Consumption of Packing Material	↓325.39	↓460.15
(b) Corporate Social Responsibility	↓30.00	↓18.00
(c) Warehouse expenses	↓150.41	↓68.35
(d) Consumption of stores and spare parts	↓184.65	↓229.26
(e) Repairs and Maintenance Expenses	↓248.40	↓236.01
(f) Insurance expenses	↓25.84	↓25.40
(g) Rates and taxes	↓17.55	↓8.69
(h) GST expenses	↓267.30	↓236.61
(i) GST Penalty	-	↓91.64
(j) Loading unloading charges	↓220.02	↓165.72
(k) Miscellaneous expenses	↓397.30	↓418.66
(l) Power and fuel	↓1,593.76	↓1,346.43
(m) Transmission Charges	↓25.14	↓25.36
(n) Payments to the auditor as (a) auditor	↓3.85	↓3.50
<b>TOTAL</b>	<b>3,489.61</b>	<b>3,333.78</b>



**SHRI BHAGWATI FLOUR MILLS PRIVATE LIMITED**

**Notes to the Financial Statements**

**A Note:**

Details of Corporate Social Responsibility (CSR Expenditure)

PARTICULARS	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
Opening Unspent Amount / (Excess Spent)	(1.10)	(0)
Amount required to be spent as per Section 135 of the Act	26.07	17.09
Amount spent during the year	30.00	18.00
Amount to be spent / ( Excess Spent)	(5.03)	(1.10)
Nature of CSR activities	Providing medical & educational facility	Providing medical & educational facility
Details of related party transactions, i.e.contribution to a trust controlled by the company in relation to CSR expenditure as per relevant accounting standard	Contribution to Gaaychaap Besanwala Trust Rs. 25.00 Lakhs	Contribution to Gaaychaap Besanwala Trust Rs. 18.00 Lakhs
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	No	No

**27 TAX EXPENSES**

PARTICULARS	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
Current Tax	850.00	760.00
<b>CURRENT TAX EXPENSE - TOTAL</b>	<b>850.00</b>	<b>760.00</b>
Deferred Tax	(251.54)	(17.45)
<b>DEFERRED TAX INCOME - TOTAL</b>	<b>(251.54)</b>	<b>(17.45)</b>



**SHRI BHAGWATI FLOUR MILLS PRIVATE LIMITED**

**Notes to the Financial Statements**

**(28) RELATED PARTY DISCLOSURES:**

**(A) List of Related Parties :**

**Key managerial personnel :**

Mr. Nitin R. Patel  
 Mr. Vashisth N. Patel  
 Mr. Ragesh P. Parikh  
 Mrs. Hemangini N. Patel  
 Mrs. Amula V. Patel

**Enterprises in which key managerial personnel and their relatives are able to exercise significant influence:**

Shree Bhagwati Flour & Foods Private Ltd  
 Rushika Trading Company  
 Rushika Food Products Private Limited  
 Gaaychhap Besanwala Charitable Trust

**(B) Details of transactions with the related parties during the year.**

**(1) Transactions with key managerial personnel**

Nature of transactions	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
<b>Payment of Managerial Remunerartion</b>		
Mr. Nitin R. Patel	↓ 240.00	↓ 290.00
Mr. Vashisth N. Patel	↓ 120.00	↓ 120.00
Mrs. Hemangini N. Patel	↓ 120.00	↓ 220.00
Mrs. Amula V. Patel	↓ 60.00	↓ 210.00
Mr.Ragesh Parikh	↓ 8.40	↓ 6.96
<b>TOTAL</b>	<b>548.40</b>	<b>846.96</b>
<b>Payment of Interest</b>		
Mr. Nitin R. Patel	↓ 19.54	↓ 33.53
Mr. Vashishth N. Patel	↓ 18.00	↓ 6.73
Mrs. Hemangini N. Patel	↓ 24.32	↓ 9.52
Mrs. Amula V. Patel	↓ 11.33	↓ 34.63
<b>TOTAL</b>	<b>73.19</b>	<b>84.41</b>
<b>Loan taken</b>		
Mr. Nitin R. Patel	↓ 1,792.56	↓ 3,596.06
Mr. Vashishth N. Patel	↓ 443.63	↓ 70.48
Mrs. Hemangini N. Patel	↓ 530.10	↓ 486.18
Mrs. Amula V. Patel	↓ 182.45	↓ 149.08
<b>TOTAL</b>	<b>2,948.74</b>	<b>4,301.80</b>



**SHRI BHAGWATI FLOUR MILLS PRIVATE LIMITED**

**Notes to the Financial Statements**

<b>Loan repaid</b>		
Mr. Nitin R. Patel	↓2,473.13	↓3,281.56
Mr. Vashishth N. Patel	↓175.65	↓72.92
Mrs. Hemangini N. Patel	↓167.54	↓561.35
Mrs. Amula V. Patel	↓246.30	↓312.26
<b>TOTAL</b>	<b>3,062.62</b>	<b>4,228.09</b>

(2) Transactions with Enterprises in which key managerial personnel and their relatives are able to exercise significant influence:

Nature of transactions	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
<b>Sale of Goods</b>		
Shree Bhagwati Flour & Foods Private Limited	↓15,106.92	↓12,950.55
Rushika Trading Company	↓16,474.29	↓11,778.04
<b>Jobwork of Goods</b>		
Shree Bhagwati Flour & Foods Private Limited	↓96.76	-
<b>TOTAL</b>	<b>31,677.97</b>	<b>24,728.59</b>
<b>Purchase of Goods</b>		
Rushika Trading Company	↓21,694.79	↓8,297.80
Shree Bhagwati Flour & Foods Private Limited	↓125.18	↓76.60
<b>Reimbursement of Expenses</b>		
Rushika Trading Company	↓1.20	-
<b>TOTAL</b>	<b>21,821.17</b>	<b>8,374.40</b>
<b>Rent Received</b>		
Shree Bhagwati Flour & Foods Private Limited	↓18.00	↓18.00
<b>TOTAL</b>	<b>18.00</b>	<b>18.00</b>
<b>Donation Made towards CSR expenditure</b>		
Gaaychhap Besanwala Charitable Trust	↓25.00	↓18.00
<b>TOTAL</b>	<b>25.00</b>	<b>18.00</b>



**SHRI BHAGWATI FLOUR MILLS PRIVATE LIMITED**

**Notes to the Financial Statements**

**(3) Outstanding Balances with key managerial personnel.**

Particulars	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
<b>Unsecured Loan</b>		
Mr. Nitinbhai R. Patel	↓ 23.11	↓ 703.69
Mr. Vashisthbhai N. Patel	↓ 308.53	↓ 40.55
Mrs. Hemanginiben N. Patel	↓ 440.40	↓ 77.85
Mrs. Amula V. Patel	↓ 65.13	↓ 128.98
<b>TOTAL</b>	<b>837.17</b>	<b>951.07</b>

**(4) Outstanding Balances with Enterprises in which Directors have significant influence**

Nature of transactions	31st March, 2024	31st March, 2023
<b>Receivable from Debtors</b>		
Rushika Trading Company	↓ 1,538.87	↓ 783.85
<b>TOTAL</b>	<b>1,538.87</b>	<b>783.85</b>



# SHRI BHAGWATI FLOUR MILLS PRIVATE LIMITED

## Notes to the Financial Statements

### 29 Retirement Benefits

As per revised Accounting Standard 15 (AS-15) "Employees Benefits", the Company has recognized in the financial statements in respects of Employee Benefits Schemes as per Actuarial Valuation as on 31st March 2024.

#### (A) Defined Benefit Plans - Gratuity

##### I. Components of Employer Expenses

Particulars	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
Current Service Cost	↓9.26	↓7.83
Interest Cost	↓3.77	↓3.09
Past Service Cost	-	↓1.09
Expected Return on Plan Assets	↓5.00	↓3.88
Actuarial (gain)/loss	↓5.95	↓(3.34)
Total Expenses/(gain) recognized in the Profit & Loss Account	↓13.98	↓4.80

##### II Net Asset/ (Liability) recognized in Balance Sheet

Particulars	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
Present value of Funded Obligation	↓70.84	↓52.40
Fair Value of Plan Assets	↓79.90	↓63.54
Assets/(Liability) recognized in the Balance Sheet	↓9.07	↓11.14

##### III Change in Defined Benefit Obligations (DBO)

Particulars	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
Opening balance of Present Value of Obligation	↓52.40	↓44.17
Current Service Cost	↓9.26	↓7.83
Interest Cost	↓3.77	↓3.09
Past Service Cost	-	↓1.09
Actuarial (Gain)/Loss	↓5.40	↓(3.78)
Benefit Paid	-	-
Closing Balance of Present Value of Obligation	↓70.84	↓52.40



**SHRI BHAGWATI FLOUR MILLS PRIVATE LIMITED**

**Notes to the Financial Statements**

**IV Changes in the Fair value of Plan Assets**

Particulars	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
Opening Balance of Present Value of Plan Assets	↓ 63.54	↓ 50.93
Expected Return on Plan Assets	↓ 5.00	↓ 3.88
Actuarial Gain/(Loss)	↓ (0.55)	↓ (0.44)
Contribution by Employer	↓ 11.91	↓ 9.17
Benefit Paid	-	-
Fair Value of Plan Assets as at 31st March	↓ 79.90	↓ 63.54

**V Actuarial Assumptions**

Particulars	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
Discount Rate (per annum)	↓ 7.00%	↓ 7.20%
Annual Increase in Salary Costs p.a.	↓ 6.00%	↓ 6.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

**VI Major Categories of plan assets as a percentage of total plan assets**

Particulars	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
Insurance Company	100%	100%

The above provision and expense on Staff gratuity is made on the basis Acturial report in compliance of AS - 15. The above provision is considered as Short Term Provision in view of past experience of the management.





# SHRI BHAGWATI FLOUR MILLS PRIVATE LIMITED

## Notes to the Financial Statements

### 30. Segment Reporting

#### (a) Analysis by Business Segment

##### Segment Revenue and Expense:

Segment Revenue and Expense are the operating revenue and expense reported in the Company's Statement of Profit and Loss that are directly attributable to a segment and the relevant portion of such revenue and expense that can be allocated on a reasonable basis to a segment.

##### Segment Assets and Liabilities:

Segment assets include all operating assets used by a segment and consist principally of operating receivables, inventories and property, plant and equipment, net of allowances and provisions. Capital Expenditure includes the total cost incurred to acquire property, plant and equipment directly attributable to the segment. Segment liabilities include all operating liabilities and consist principally of trade payables and accrued expenses.

Financial year ended on 31st March 2024:

(Figures in Lakhs)

Particulars	Food Unit	Windmill Units	Total
<b>Revenue</b>			
Revenue from operations	₹1,04,666.08	₹463.37	₹1,05,129.45
<b>Total Revenue</b>	<b>1,04,666.08</b>	<b>463.37</b>	<b>1,05,129.45</b>
<b>Segment Results</b>			
Finance Cost	₹3,477.98	₹121.55	₹3,599.53
Other Income	₹690.51	-	₹690.51
<b>Profit Before Tax</b>			<b>2,937.33</b>
Income Tax Expense			₹850.00
Deferred Tax Expense			₹(251.54)
Taxes of earlier years			₹(0.89)
<b>Profit After Tax</b>			<b>2,339.77</b>
<b>Particulars</b>	<b>Food Unit</b>	<b>Windmill Units</b>	<b>Total</b>
<b>Balancesheet</b>			
<b>Assets</b>			
Segment Assets	₹20,263.75	₹1,314.64	₹21,578.38
<b>Total Assets</b>			<b>21,578.38</b>
<b>Liabilities</b>			
Segment Liabilities	₹10,105.70	₹45.18	₹10,150.88
Deferred Tax Liabilities			₹579.48
<b>Total Liabilities</b>			<b>10,529.36</b>



# SHRI BHAGWATI FLOUR MILLS PRIVATE LIMITED

## Notes to the Financial Statements

Financial year ended on 31st March 2023:

(Figures in Lakhs)

Particulars	Food Unit	Windmill Units	Total
Revenue			
Revenue from operations	₹86,494.87	₹507.90	₹87,002.78
<b>Total Revenue</b>	<b>86,494.87</b>	<b>507.90</b>	<b>87,002.78</b>
<b>Segment Results</b>	<b>₹2,256.60</b>	<b>₹187.96</b>	<b>₹2,444.55</b>
Finance Cost	₹307.55	₹0.00	₹307.55
Other Income			₹108.44
<b>Profit Before Tax</b>			<b>2,245.44</b>
Income Tax Expense			₹760.00
Deferred Tax Expense			₹(17.45)
Taxes of earlier years			₹(78.53)
<b>Profit After Tax</b>			<b>1,581.41</b>
Particulars	Food Unit	Windmill Units	Total
<b>Balancesheet</b>			
<b>Assets:</b>			
Segment Assets	₹18,948.23	₹1,498.03	₹20,446.26
<b>Total Assets</b>			<b>20,446.26</b>
<b>Liabilities:</b>			
Segment Liabilities	₹11,101.45	₹5.55	₹11,107.00
Deferred Tax Liabilities			₹630.03
<b>Total Liabilities</b>			<b>11,737.03</b>

### (b) Analysis by Geographical Segment

#### Segment Revenue

The company operates only a domestic segment and hence secondary segment is not applicable.

Particulars	(Figures in Lakhs)	
	31st March, 2024	31st March, 2023
Export Sales	-	-
Domestic Sales	₹1,05,129.45	₹87,002.78
<b>Total</b>	<b>1,05,129.45</b>	<b>87,002.78</b>



**SHRI BHAGWATI FLOUR MILLS PRIVATE LIMITED**

**Notes to the Financial Statements**

31

**Analytical Ratios**

Sr. No.	Particulars		As at 31st March 2024	As at 31st March 2023	Variance	Reason for Variance
1	Current Ratio					
	Numerator	Current Assets	↓ 1.97	↓ 1.68	↓ 17%	
	Denominator	Current Liabilities				
2	Debt - Equity Ratio					Due to Decrease in the Debts
	Numerator	Total Debt	↓ 0.08	↓ 0.11	↓ 31%	
	Denominator	Shareholder's Equity				
3	Debt-Service Coverage Ratio					
	Numerator	Earnings available for debt service	↓ NIL	↓ NIL	↓ NIL	
	Denominator	Debt Service				
4	Return on Equity					
	Numerator	Net Profit after taxes	↓ 0.24	↓ 0.20	↓ 19%	
	Denominator	Average shareholder's equity				
5	Inventory Turnover Ratio					
	Numerator	Cost of Goods sold	↓ 6.82	↓ 8.01	↓ 15%	
	Denominator	Average inventory				
6	Trade Receivable turnover ratio					Due to Increase in Average trade receivables.
	Numerator	Net credit Sales	↓ 28.90	↓ 41.68	↓ 31%	
	Denominator	Average Trade receivable				
7	Trade Payable turnover ratio					
	Numerator	Net Credit Purchase	↓ NIL	↓ 185.88	↓ NIL	
	Denominator	Average Trade payable				
8	Net Capital Turnover Ratio					
	Numerator	Net Sales	↓ 7.67	↓ 7.23	↓ 6%	
	Denominator	Average Working				
9	Net Profit Ratio					
	Numerator	Net Profit(PBT)	↓ 0.03	↓ 0.03	↓ 8%	
	Denominator	Net Sales				
10	Return on Capital Employed					Due to Increase in Earnings.
	Numerator	Earning before Interest and Taxes	↓ 0.17	↓ 0.13	↓ 34%	
	Denominator	Capital Employed				
11	Return on Investment					
	Numerator	Profit/Earnings	↓ NA	↓ NA	↓ 0%	
	Denominator	Investments				



**SHRI BHAGWATI FLOUR MILLS PRIVATE LIMITED**

**Notes to the Financial Statements**

**32 Value of Import on C.I.F. basis - Rs. NIL (Previous year Rs.-NIL)**

**33 EARNING PER SHARE**

PARTICULARS	31st March, 2024	31st March, 2023
Net Profit after tax attributable to shareholders (Figures in Lakhs)	↓2,339.77	↓1,581.41
Weighted average number of equity shares at the end of year ( In Absolute)	↓42,50,000.00	↓42,50,000.00
Nominal value of share (Figures in ₹)	↓10.00	↓10.00
Basic / Diluted earning per share before extraordinary items(Figures in ₹)	↓55.05	↓37.21
Basic / Diluted earning per share after extraordinary items(Figures in ₹)	↓55.05	↓37.21

**34 CONTINGENT LIABILITIES AND COMMITMENTS CONTINGENT LIABILITIES**

Not provided for in the books of accounts.

**A CONTINGENT LIABILITIES**

(Figures in Lakhs)

(i) PARTICULARS	31st March, 2024	31st March, 2023
In respect of LC	↓4.15	↓4.15
In respect of Bank Guarantee	↓148.90	↓148.90

The Company has issued counter guarantee to Axis Bank Ltd. against bank guarantee given by bank favouring Torrent Power Ltd. which is as under:

Bank Guarantee No.	(Figures in Lakhs)
30100002449	↓7.74
15300100005106	↓28.75
15300100005737	↓28.94
15300100008684	↓61.09
15300100015349	↓9.37
15300100002011	↓13.01

The Above Bank Guarantee is Secured by the Fixed Deposit of 22.90 Lakhs.

The Above Letter of Credit is Secured by the Fixed Deposit of 2.55 Lakhs.

The Company doesn't have any pending litigations, which would impact its financial position in its financial statements.

**B COMMITMENTS**

Estimated Amount of Contracts Remaining to be Executed on capital Account and not provided for ( Net off Capital Advances) : NIL



35 All amounts in these financial statements, except per share amounts and unless as stated otherwise, have been rounded off to two decimal places and have been presented in to two diait

36 The figures of previous year is regrouped and rearranged wherever necessary so as to make them comparable.

37 Events after the reporting period:

On May 13th, 2024, the Company filed an application with the National Company Law Tribunal (NCLT) Ahmedabad seeking sanction of the Composite Scheme of Arrangement presented under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 for amalgamation of Shri Bhagwati Flour Mills Private Limited into Shree Bhagwati Flour and Foods Private Limited .

38 With regards to the additional disclosures in respect of Schedule III are as under:-

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- (ii) The Company has not been declared willful defaulter by any bank or financial institution or other lender.
- (iii) The Company have not any such transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961
- (iv) There is no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013
- (v) The company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
- (vi) The Company have not traded or invested in Crypto currency or virtual currency during the financial year.
- (vii) The Company do not have any transactions with Companies struck off.
- (viii) In the opinion of the management of the Company and to the best of their 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 person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



(ix) In the opinion of the management of the Company and to the best of their knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), 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 by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**Signature to Notes "1" TO "38"**

**AS PER OUR REPORT ATTACHED  
FOR M. HAWA & ASSOCIATES  
CHARTERED ACCOUNTANTS**

**FOR AND ON BEHALF OF THE BOARD**



**( M. M. HAWA )  
PROPRIETOR**

**(NITIN R. PATEL) (VASHISTHA N. PATEL)  
DIRECTOR DIRECTOR**

**M. NO.: 040790**

**DIN NO. 01872924 DIN NO. 00953577**

**PLACE : AHMEDABAD  
DATE : 06th July 2024**

**PLACE : AHMEDABAD  
DATE : 06th July 2024**



CA Irfan K. Hawa  
F.C.A., DISA(ICAI)

*M. Hawa & Associates*  
CHARTERED ACCOUNTANTS

Independent Auditor's Report

To The Members of  
Shree Bhagwati Flour & Foods Private Limited

Report on the Audit of Financial Statements

**Opinion**

We have audited the accompanying financial statements of **Shree Bhagwati Flour & Foods Private Limited**, which comprises the Balance Sheet as at **March 31st, 2024**, the Statement of Profit and Loss, Statement of Cash flow for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "financial statements").

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 (the "Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021, as amended ("AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at **March 31, 2024**, its Profit and 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) 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 (the "ICAI") 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 opinion on the financial statements.



### **Information other than the Financial Statements and Auditor's Report thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' report including its annexures and shareholder's information but does not include the financial statements and our auditor's report thereon. The Directors' report including its annexures and other shareholder's information is expected to be made available to us after the date of this auditor's report.

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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in 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. When we read the other information, if conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with Governance. 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 Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance 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 implementation and maintenance of 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.

Those 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 Standards on Auditing (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 Standards on Auditing (SAs), we exercise professional judgment and maintain professional skepticism 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 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 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**

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.



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 (also refer our comments in para 2(h)(vii);
- c. The Balance Sheet and the Statement of Profit and Loss and Statement of Cash Flow are dealt with by this Report are in agreement with the relevant books of account;
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2021;
- e. On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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 with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B' to this report;
- g. Being a private limited company, the provision of section 197 of the Act read with Schedule V are not applicable to the company;
- 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:
  - i. The Company does not have any pending litigations, which would impact its financial position in its financial statements – Refer Note 35 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 is no amount required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- v. (a) The Management has represented that, to the best of it's knowledge and belief, as disclosed in note no – 44(viii) to the financial statement, 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 person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in note no – 44(ix) to the financial statement, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and  
  
(c) Based on such audit procedures that we have 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 (i) and (ii) contain any material mis-statement.
- vi. The company has not declared or paid dividend during the year by the company and subsequent to the year end.



- vii. Based on our examination, which included test checks, the company has used accounting software for maintaining its books of account which has the feature of recording audit trail (edit logs) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software. Further, during the course of our audit we did not come across any instances of audit trail feature being tampered with.

**For, M HAWA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN: 103598W**



A handwritten signature in green ink, appearing to read "M. M. HAWA".

**(M. M. HAWA)  
PROPRIETOR  
M.No. 040790**

**PLACE: AHMEDABAD  
DATE: 25/06/2024**

**UDIN: 24040790BKAQOX3941**

## ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory requirements" in the Independent Auditor's Report of even date to the members of **Shree Bhagwati Flour & Foods Private Limited ("the Company")** on the financial statements for the year ended 31st March 2024]

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's property, plant and equipment and intangible assets:
  - (a) (A) Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
  - (B) Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the Company is maintaining proper records showing full particulars of intangible assets.
- (b) The Company has policy of physical verification of Property, Plant and Equipment by which all Property, Plant and Equipment are verified in a phased manner. In our opinion, the periodicity of physical verification is reasonable having regards to the size of the company and the nature of its assets. Pursuant to this policy, Property, Plant and Equipment have been physically verified by the management during the previous year and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given to us, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the company as at the balance sheet date.
- (d) The Company has not revalued any Property, Plant and Equipment during the year, accordingly, the requirements under clause 3(i)(d) of the Order are not applicable.



- (e) As disclosed in note no-44(i) to the financial statement, there are no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder and accordingly the requirements under paragraph 3(i)(e) of the Order are not applicable.
- ii. (a) The inventories has been physically verified by the management at reasonable interval. In our opinion, the frequency of verification is reasonable and the coverage and procedure for such verification is appropriate. No material discrepancies were notices on such physical verification.
- (b) As disclosed in note-8(B) to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. 5.00 Crores in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly statements filed by the Company with such banks and financial institutions are materially in agreement with the books of accounts of the Company.
- iii. The Company has provided unsecured advances in the nature of loans to companies and other parties in respect of which the requisite information is as below. The Company has not provide guarantee, security or made investment to firms, limited liabilities partnerships or any other parties during the year:

(a) During the year company has provided loans as below:

Particulars	Amount (Rs. In lakhs)
Aggregate amount granted/provided during the year:	
- To employees	2.96
- Others	801.80
Balance outstanding as at balance sheet date in respect of the above cases:	
- To employees	1.44
- Others	766.40

(b) In our opinion, all loans and advance in the nature of loans provided during the year are not prejudicial to the interest of the company;



- (c) Based on our verification of the documents provided to us and according to the information and explanations given by the management, the aforesaid loans are repayable on demand and therefore no schedule of repayment of principal and payment of interest have been stipulated. According to the information and explanations given to us, such loans and interest thereon have not been demanded for repayment during the relevant financial year.
- (d) There is no overdue amount for more than 90 days in respect of loans, as such loans are repayable on demand;
- (e) The Company has provided loans to employees and others which are repayable on demand and therefore clause 3(iii)(e) will not applicable;
- (f) The Company has granted loans in the nature of loans either repayable on demand or without specifying any terms or period of repayment as below:

Particulars	Amount (Rs. In lakhs)
Aggregate amount granted/provided during the year:	
- To employees	2.96
- Others	801.80
Balance outstanding as at balance sheet date in respect of the above cases:	
- To employees	1.44
- Others	766.40

- iv. In our opinion and according to information and explanations given to us, the loans given by the company are not covered by section 185 or 186 of the Companies Act, 2013, and hence, paragraph 3(iv) of the Order is not applicable.
- v. Based on our verification of the documents provided to us and according to the information and explanations given by the Management, the Company has not accepted any deposits or the amounts which are deemed to be deposits except distributor's deposit, rent deposit and exempt deposit within the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under; therefore, the provisions of paragraph 3(v) of the Order are not applicable to the Company.





- vi. According to the information and explanations given to us and the records of the Company as examined by us, the Company is not required to maintain cost records that have been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- vii. a) The Company is generally regular in depositing with appropriate authorities, 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 any other material statutory dues applicable to it.
- b) In our opinion, there were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March, 2024 for a period of more than six months from the date they became payable.
- viii. As disclosed by the management in **Note 44(iii)** of the financial statements, the company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessment under Income Tax Act, 1961 (43 of 1961) as income during the year.
- ix. (a) During the year, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) As disclosed by the management in **Note 44(ii)** of the financial statements, the Company has not been declared willful defaulter by any bank or financial institution or other lender during the year.
- (c) The Company has not availed the term loan during the year and therefore reporting under clause 3(ix)(c) of the order will not applicable.
- (d) On an overall examination of the financial statements of the Company, we report that funds raised on short term basis have prima facie not been used for long term purposes.



- (e) The Company does not have any Subsidiary company, Associate or Joint Ventures and therefore, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the order will not be applicable.
- x. (a) During the year Company has not raised moneys by way of initial public offer or further public offer including debt instruments or term loans.
- (b) During the year company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible), accordingly, the provision of clause 3(x)(b) is not applicable.
- xi. (a) 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 or on by the company, noticed or reported during the year, nor we have been informed such case by the management.
- (b) No report under sub section (12) of section 143 of the Act has been filed in the form ADT – 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with central government during the year and up to the date of this report.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the Year.
- xii. The Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) (a) to (c) of the order are not applicable.
- xiii. According to information and explanation given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where ever applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business;



(b) We have considered the internal audit reports of the company issued till date, for the period under audit.

- xv. According to the information and explanation given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors as referred to in section 192 of Companies Act, 2013 and hence requirement to report clause 3(xv) of the order is not applicable to the company.
- xvi. (a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, accordingly, the provision of clause 3(xvi)(a) is not applicable.  
(b) The company is not a NBFC, accordingly, the provision of clause 3(xvi)(b) to (d) is not applicable.
- xvii. The company has not incurred any cash losses in the financial year covered by our audit and during the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- 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, 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 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. (a) There are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of Section 135 of the Act. This matter has been disclosed in note 38 to the financial Statements.
- (b) There are no unspent amount as mentioned under section (5) of Section 135 of Companies Act, hence, the requirement to report on clause 3(xx) of the Order is not applicable to the Company.
- xxi. The company does not have any subsidiary or joint venture companies or associate companies. Hence the reporting under clause 3(xxi) of the Order is not applicable in respect of audit of financial statements of the Company.

**For, M HAWA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN: 103598W**



A handwritten signature in green ink, appearing to read "M. M. HAWA".

**(M. M. HAWA)  
PROPRIETOR  
M.No. 040790**

**PLACE: AHMEDABAD  
DATE: 25/06/2024**

**UDIN: 24040790BKAQOX3941**

**ANNEXURE B to the Independent Auditor's Report of even date on Financial Statements of Shree Bhagwati Flour & Foods Private Limited.**

**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 Shree Bhagwati Flour & Foods Private Limited ("the Company") as of 31<sup>st</sup> March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at 31<sup>st</sup> March 2024 (also refer the para 2(h)(vii) of the Report on Other legal and regulatory requirements on reporting under Rule 11(g)), 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 (the "Guidance Note").

**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 Companies Act, 2013.



## **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 Companies Act, 2013, 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 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**

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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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**

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.

**For, M HAWA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN: 103598W**



A handwritten signature in green ink, appearing to read 'M. M. HAWA'.

**PLACE: AHMEDABAD  
DATE: 25/06/2024**

**(M. M. HAWA)  
PROPRIETOR  
M.No. 040790**

**UDIN: 24040790BKAQOX3941**

## SHREE BHAGWATI FLOUR AND FOODS PRIVATE LIMITED

(CIN: U15319GJ1994PTC021888)

BALANCE SHEET AS AT 31ST MARCH, 2024

PARTICULARS	Note No.	(Figures in ₹ Lakhs)	
		31st March, 2024	31st March, 2023
<b>I. EQUITY AND LIABILITIES</b>			
(1) Shareholders' funds			
(a) Share capital	3	249.35	249.35
(b) Reserves and surplus	4	24,571.47	20,581.63
<b>Total Shareholders funds</b>		<b>24,820.82</b>	<b>20,830.98</b>
(2) Non-current liabilities			
(a) Long-term borrowings	5	759.97	1,546.43
(b) Deferred tax liabilities (Net)	6	773.76	530.72
(c) Other Long-term liabilities	7	118.55	118.55
<b>Total Non-current liabilities</b>		<b>1,652.28</b>	<b>2,195.70</b>
(3) Current liabilities			
(a) Short-term borrowings	8	4,927.77	2,528.10
(b) Trade payables	9		
(i) Total outstanding dues of micro and small enterprises;		-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises		314.20	2,084.51
(c) Other current liabilities	10	715.18	840.48
(d) Short term provisions	11	172.32	327.46
<b>Total Current liabilities</b>		<b>6,129.46</b>	<b>5,780.55</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>32,602.57</b>	<b>28,807.23</b>
<b>II. ASSETS</b>			
(1) Non-current assets			
(a) Property, Plant and Equipments & Intangible assets			
(i) Property, Plant and Equipment	12	18,040.61	8,978.98
(ii) Intangible assets		1.23	1.23
(iii) Capital work-in-progress		296.15	8,976.63
(b) Non-current investments	13	1,942.60	1,942.60
(c) Long-term loans and advances	14	22.71	49.87
(d) Other non current assets	15	195.06	149.55
<b>Total Non-Current Assets</b>		<b>20,498.37</b>	<b>20,098.86</b>
(2) Current assets			
(a) Inventories	16	4,932.68	3,766.25
(b) Trade receivables	17	5,360.23	2,616.96
(c) Cash and Cash Equivalents	18	580.40	1,201.89
(d) Short-term loans and advances	19	936.10	1,015.41
(e) Other current assets	20	294.79	107.85
<b>Total Current Assets</b>		<b>12,104.20</b>	<b>8,708.37</b>
<b>TOTAL</b>		<b>32,602.57</b>	<b>28,807.23</b>
Significant Accounting Policies & Notes to Account	2 to 44		

AS PER OUR REPORT ATTACHED  
FOR M. HAWA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN : 103598W

(M. M. HAWA)  
PROPRIETOR  
M. NO.: 40790  
PLACE : AHMEDABAD  
DATE : 25/06/2024



FOR AND ON BEHALF OF THE BOARD

NITIN R. PATEL  
Director  
DIN: 01872924

VASHISTHA N. PATEL  
Director  
DIN: 00953577

PLACE : AHMEDABAD  
DATE : 25/06/2024



**SHREE BHAGWATI FLOUR AND FOODS PRIVATE LIMITED**


(CIN: U15319GJ1994PTC021888)

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2024**

Particulars	Note No.	(Figures in ₹ Lakhs)	
		31st March, 2024	31st March, 2023
Revenue from operations	21	59,353.26	43,131.22
Other income	22	875.72	855.41
<b>TOTAL INCOME</b>		<b>60,228.98</b>	<b>43,986.63</b>
Expenses:			
Cost of materials consumed	23	12,185.77	10,085.17
Purchases of Stock-in-Trade	24	31,396.26	20,677.68
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	25	(149.52)	(171.14)
Employee benefits expenses	26	1,401.49	1,151.44
Finance costs	27	329.40	184.00
Depreciation and amortization expenses	12	1,004.90	535.63
Other expenses	28	8,715.01	7,551.74
<b>TOTAL EXPENSES</b>		<b>54,883.30</b>	<b>40,014.53</b>
Profit before tax		5,345.69	3,972.10
Tax expense:			
(1) Current tax	29	1,100.00	950.00
(2) Deferred tax expenses/(Income)	6	243.04	52.62
(3) Taxes of earlier years	-	12.81	(44.57)
<b>Profit for the year from continuing operations</b>		<b>3,989.84</b>	<b>3,014.04</b>
Earnings per equity share:			
Basic & Diluted EPS	34	160.01	120.88
Significant Accounting Policies & Notes to Account	2 to 44		

AS PER OUR REPORT ATTACHED  
FOR M. HAWA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN : 103598W

( M. M. HAWA )  
PROPRIETOR  
M. NO.: 40790  
PLACE : AHMEDABAD  
DATE : 25/06/2024



FOR AND ON BEHALF OF THE BOARD

*Nitin R. Patel*      *Vashistha N. Patel*

NITIN R. PATEL  
Director  
DIN: 01872924

VASHISTHA N. PATEL  
Director  
DIN: 00953577

PLACE : AHMEDABAD  
DATE : 25/06/2024

## SHREE BHAGWATI FLOUR AND FOODS PRIVATE LIMITED

(CIN: U15319GJ1994PTC021888)

## STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2024

PARTICULARS	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
<b>A. Cashflow From Operating Activities</b>		
Net Profit Before Tax	5,345.69	3,972.10
Adjustment For :		
Depreciation	1,004.90	535.63
Gratuity Expense	16.07	18.27
Interest And Finance Charges	329.40	184.00
Interest Income	(79.15)	(87.89)
Rent Income	(587.89)	(567.68)
Loss/ (Profit) On Sale Of assets	(0.67)	(3.98)
Exchange Rate Difference	(49.65)	(23.24)
<b>Operating Profit Before Working Capital Changes</b>	<b>5,978.68</b>	<b>4,027.22</b>
Adjustment For:		
Inventories	(1,166.43)	(276.67)
Trade Receivables	(2,693.62)	1,145.63
Short-Term Loans And Advances	79.31	410.39
Other Current Assets	(166.87)	912.87
Other Non Current Assets	(45.51)	(16.57)
Trade Payables	(1,770.32)	817.41
Other Current Liabilities	(130.16)	(24.18)
Short Term Provisions	(327.46)	-
<b>Sub Total</b>	<b>(6,221.06)</b>	<b>2,968.88</b>
Cash Generated From Operation	(242.38)	6,996.10
Direct Taxes Paid	(914.87)	(851.76)
<b>Net Cash From Operating Activities</b>	<b>(1,157.25)</b>	<b>6,144.34</b>
<b>B. Cash Flow From Investment Activities</b>		
Purchase Of Fixed Assets	(1,329.54)	(2,351.95)
Rent Income	587.89	567.68
Long term loans & advances	27.16	239.56
Sales Of Fixed Assets	1.60	6.06
Interest Received	75.15	86.05
Investments	-	4.80
<b>Net Cash Used In Investing Activities</b>	<b>(637.73)</b>	<b>(1,447.79)</b>



**SHREE BHAGWATI FLOUR AND FOODS PRIVATE LIMITED**

(CIN: U15319GJ1994PTC021888)

**STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2024**

<b>C. Cash Flow From Financing Activities</b>		
Interest And Finance Charges Paid	(382.14)	(352.08)
Net Long Term Borrowing (Repaid)/Procured	(843.77)	(883.97)
Net Short Term Borrowing (Repaid)/Procured	2,399.40	(2,454.18)
<b>Net Cash Used In Financing Activities</b>	<b>1,173.49</b>	<b>(3,690.22)</b>
<b>Net Increase/(Decrease) In Cash And Cash Equivalents</b>	<b>(621.50)</b>	<b>1,006.32</b>
Opening Balance Of Cash And Cash Equivalents	1,201.89	195.57
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>580.40</b>	<b>1,201.89</b>

**Notes:**

**Cash And Cash Equivalents Comprise Of:**

(A) Cash On Hand	13.00	4.29
(B) Balance With Bank	567.39	1,197.60
<b>Total Cash &amp; Cash Equivalents as per Balance Sheet</b>	<b>580.40</b>	<b>1,201.89</b>

(1) The Cash flow statement has been prepared in accordance with the requirements of Accounting Standard - 3 "Cash flow statement".

(2) Figures in brackets indicate cash outflow.

(3) The previous year figures have been regrouped/restated wherever necessary to confirm to this year's classification.

As per our attached report of even date

**FOR M. HAWA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN : 103598W**

( M. MLHAWA )  
PROPRIETOR  
M. NO.: 40790



**FOR AND ON BEHALF OF THE BOARD**

*Nitin R. Patel*

**NITIN R. PATEL**  
Director  
DIN: 01872924

*Vashistha N. Patel*

**VASHISTHA N. PATEL**  
Director  
DIN: 00953577

PLACE : AHMEDABAD  
DATE : 25/06/2024

PLACE : AHMEDABAD  
DATE : 25/06/2024

## SHREE BHAGWATI FLOUR AND FOODS PRIVATE LIMITED

Notes forming part of the accounts for the year ended 31st March, 2024

### 1 Company Overview:

Shree Bhagwati Flour and Foods Private Limited is a private company domiciled in India and incorporated under the provisions of the Companies Act.

The company's main business is of processing manufacturing, exporting and private labelling of varied Flours, Spices, Lentils / Pulses, Instant Mixes, Snacks, General groceries etc.. And a whole range of food items and ingredients that are an integral part of rich Indian Cuisine.

### 2 Significant Accounting Policies:

#### a. Basis of Preparation of Financial Statement

The Financial Statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, including the Accounting Standards as prescribed by the Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Accounts) Rules, 2021.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013

#### b. Use of Estimates

The preparation of the financial statements in conformity with GAAP requires Management to make estimates and judgments that affect the reported balances of assets and liabilities and disclosure relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period for the periods presented.

Management believes that the estimates used like Net realizable value of Inventories etc. in the preparation of financial statements are prudent and reasonable. Future results could differ from these estimates.

The following significant accounting policies are adopted in the preparation and presentation of these financial statements:

#### 2.01 Revenue Recognition

In appropriate circumstances, Revenue is recognised on accrual basis when no significant uncertainty as to determination or realization exists.

In the financial statement, revenue from operation does not include Indirect taxes like Goods & Service Tax.



## SHREE BHAGWATI FLOUR AND FOODS PRIVATE LIMITED

Notes forming part of the accounts for the year ended 31st March, 2024

### (i) Sale of Goods:

Sales are recognized, net of returns and trade discounts, on transfer of significant risk and rewards of ownership to the buyer, which generally coincide with the delivery of goods to the customers. The Company collects Goods and Service Tax (GST) and / or Tax Collected at source on behalf of the government and, therefore, these do not form a part of economic benefits flowing to the Company. Hence, they are excluded from revenue.

Significant risk and rewards of ownership transfer as follow :-

- (a) Domestic Sales : On delivery of goods to the customer ;
- (b) Export Sales : On the basis of FOB as well as CIF terms ;

### (ii) Sale of Service:

Income from service rendered is recognised based on the terms of the agreements as and when services are rendered and are net of Goods and Service Tax (GST)/ Service tax.

### (iii) Export Incentives:

Income from export incentives such as duty drawback, RODTEP etc are recorded on accrual basis.

### (iv) Interest Income:

Interest income on deposits with banks is recognized on a time proportion accrual basis considering the amount outstanding and the rate applicable.

### (v) Dividend Income:

Dividend income from investments, if any, is accounted on the receipt basis.

### (vi) Insurance Claim:

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

### (vii) Profit/loss on sale/redemption of investments

Profit/loss on sale/redemption of investments is arrived at by applying weighted average cost and recognized on the date of actual sale/redemption.



## SHREE BHAGWATI FLOUR AND FOODS PRIVATE LIMITED

Notes forming part of the accounts for the year ended 31st March, 2024

### 2.02 Property, Plant And Equipment

Property, Plant and Equipments ("PPE") are stated at cost of acquisition inclusive of expenses directly attributable / related to the acquisition/ construction/erection of such assets. GST and other applicable taxes paid on acquisition of property, plant and equipment are capitalized to the extent not available/ utilizable as input tax credit under GST or other relevant law in force.

Expenditure incurred on renovation and modernization of PPE on completion of the originally estimated useful life resulting in increased life and/or efficiency of an existing asset, is added to the cost of the related asset. In the carrying amount of an item of PPE, the cost of replacing the part of such an item is recognized when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition principles.

Borrowing costs directly attributable to the acquisition, 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 asset.

After initial recognition, PPE is carried at cost less accumulated depreciation/amortization and accumulated impairment losses, if any.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

### Intangible Assets

Intangible assets are recognised at acquisition cost when the asset is identifiable, non monetary in nature, without physical substance and is probable that such expenditure is to result in future economic benefits to the entity.

Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Gains or losses arising from derecognition of an intangible asset 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.



## SHREE BHAGWATI FLOUR AND FOODS PRIVATE LIMITED

Notes forming part of the accounts for the year ended 31st March, 2024

### Capital Work In Progress

Capital work in progress is stated at cost, net of impairment losses, if any. Cost comprises of the cost of items of PPE not yet commissioned, incidental pre-operative expenses and borrowing costs.

### Intangible Assets Under Developments

Intangible assets under development consists of cost capitalized since the development costs are measurable reliably, the product or process is technically, and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use the asset. The expenditure capitalized includes the cost of purchase of license, direct labour and overheads costs that are directly attributable to preparing the asset to its intended use.

### Depreciation and Amortization:

#### Property Plant and Equipment and Intangible Assets

(i) Depreciation on Property, Plant and Equipment and Intangible Assets is recognised in profit or loss using "Straight Line Method". Depreciation is provided based on useful life of the assets as prescribed in schedule II of the Companies Act, 2013. Depreciation is charged proportionately from/to the date of acquisition/disposal.

(ii) Depreciation on Windmill is taken on "Written down value method" at the rate specified based on useful life and in accordance with the provision of Schedule II of the Companies Act, 2013.

Following table provides the details of useful lives of the items of PPE:

Nature of Assets	Estimated useful life
Office Equipments	5 Years
Computer & Printers	3 Years
Furniture & Fixtures	10 Years
Plant & Machinery	15 Years
Plant & Machinery Structure	20 Years
Vehicles	8 Years
Vehicles (Two Wheelers)	10 Years
Factory Buildings	10, 15, 20 & 30 Years
Windmill	20 Years
Computer Software	3 Years



## SHREE BHAGWATI FLOUR AND FOODS PRIVATE LIMITED

### Notes forming part of the accounts for the year ended 31st March, 2024

The depreciation methods, estimated useful lives, and residual values of the PPE and intangible assets are reviewed at the end of each reporting period. The effect of changes in these estimates is accounted on a prospective basis.

#### 2.03 Impairments

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

#### 2.04 Investments:

Long term investment are stated at cost less amount written off, where there is a diminution in its value of long term nature. Current investments are stated at lower of cost and fair value. Gain or loss arising from sale or disposal of such investment is accounted at the time of actual sale or disposal.

#### 2.05 Inventories:

(i) Raw-materials and Packing materials and Stores & Spares are stated at cost or net realizable value whichever is lower.

(ii) By products are valued at net realizable value.

(iii) Finished goods are valued at cost or net realizable value whichever is lower.

Cost comprises direct materials and where applicable, direct labour costs, those overheads that have been incurred in bringing the inventories to their present location and condition.





## SHREE BHAGWATI FLOUR AND FOODS PRIVATE LIMITED

Notes forming part of the accounts for the year ended 31st March, 2024

### 2.06 Cash & Cash Equivalents

Cash and cash equivalents comprise cash and cash on deposit with banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

### 2.07 Employee Benefit

#### (a) Short Term Employee Benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus, and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

#### (b) Post-Employment Benefits

##### Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognized as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

##### Defined Benefits Plans

The Company's gratuity benefit scheme is a funded defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. Such benefit is discounted to determine its present value and the fair value of any plan assets is deducted to arrive at the net obligation.

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

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government securities as at the balance sheet date. When the calculation results in a benefit to the Company, the recognized asset is limited to the net total of any unrecognized actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.



## SHREE BHAGWATI FLOUR AND FOODS PRIVATE LIMITED

Notes forming part of the accounts for the year ended 31st March, 2024

### 2.08 Borrowing Cost

Borrowing costs directly attributable to the acquisition, 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 asset. All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and other costs that the company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

### 2.09 Foreign Currency Transactions

(i) Transactions in foreign currencies are recorded in Indian Rupees using the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, recorded monetary balances are reported in Indian Rupees at the rates of exchange prevailing at the balance sheet date. All realised and unrealised exchange adjustment gains and losses are dealt with in the profit and loss account.

(ii) In order to hedge exposure to foreign exchange risks arising from Export or Import foreign currency, bank borrowings and trade receivables, the Company enters into forward contracts. In case of forward exchange contracts, the cost of the contracts is amortised over the period of the contract. Any profit or loss arising on the cancellation or renewal of a forward exchange contract is recognised as income or expenses for the year.

(iii) Exchange difference is calculated as the difference between the foreign currency amount of the contract translated at the exchange rate at the reporting date, or the settlement date where the transaction is settled during the reporting period and the corresponding foreign currency amount translated at the later of the date of inception of the forward exchange contract and the last reporting date. Such exchange differences are recognized in the profit and loss account in the reporting period in which the exchange rates change.

(iv) Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

### 2.10 Accounting For Taxes On Income

- (i) Current tax is determined as the amount of tax payable in respect of taxable income for the year.
- (ii) Deferred Tax is recognised, on timing difference, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.



## SHREE BHAGWATI FLOUR AND FOODS PRIVATE LIMITED

### Notes forming part of the accounts for the year ended 31st March, 2024

- (iii) Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognized if there is virtual certainty that sufficient future taxable income will be available against which such assets can be realized. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Such assets are reviewed at each Balance sheet date to reassess realization.
- (iv) 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.

#### 2.11 Provisions And Contingent Liabilities

##### Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

##### Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

##### Contingent Assets

Contingent assets are not recognized but disclosed when the inflow of economic benefits is probable. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognized as an asset.



## SHREE BHAGWATI FLOUR AND FOODS PRIVATE LIMITED

Notes forming part of the accounts for the year ended 31st March, 2024

### 2.12 Cash Flow Statement

Cash Flow Statement is prepared in accordance with the Indirect Method prescribed in the relevant Accounting Standard. For the purpose of presentation in the cash flow statement, cash and cash equivalents includes cash on hand and other highly liquid investments with maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### 2.13 Earning Per Share

Basis of earning per share are calculated by dividing the net profit or loss for the period attributable to equity shareholder by the weighted average number of equity share outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholder and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive equity shares.

### 2.14 Segment Reporting

As per the Accounting Standard (AS 17) on "Segment Reporting", the company prepares its segment information in conformity with the accounting policies adopted for presenting the financial statement as a whole.

Allocation of common cost: common allocable cost is proportionally allocated to each segment according to their contribution.

### 2.15 Current & Non-Current

The assets and liabilities reported in the balance sheet are classified on a "current/ Non current basis" with separate reporting of assets held for sale and liabilities. Current assets, which include cash and cash equivalent, are assets that are intended to be realized or sold during the normal operating cycle of company or in the 12 months following the balance sheet date. Current liabilities are liabilities that are expected to be settled during the normal operating cycle of the company or within 12 months following the close of the financial year.

### 2.16 Leases

#### Operating Leases

Leases where the lesser 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 straight-line basis over the lease term.

#### Finance Leases

Lease where the lessor effectively transfers to the Company substantially all the risks and benefits incidental to ownership of the leased item, are classified as finance leases.



**SHREE BHAGWATI FLOUR AND FOODS PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**3 SHARE CAPITAL**

PARTICULARS	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
<b>AUTHORISED CAPITAL</b>		
30,00,000 Equity Shares (Previous Year 30,00,000) each share of Rs. 10/-	300.00	300.00
	300.00	300.00
<b>ISSUED, SUBSCRIBED &amp; PAID UP EQUITY SHARES</b>		
24,93,500 Equity Shares (Previous Year 24,93,500) each share of Rs. 10/- Fully Paid up	249.35	249.35
<b>TOTAL</b>	<b>249.35</b>	<b>249.35</b>

(A) Reconciliation of the number of Equity shares and amount outstanding at the beginning and at the end of the reporting Period:

PARTICULARS	No. of Shares	
	31st March, 2024	31st March, 2023
As at beginning of the year	24,93,500	24,93,500
Add : Issued During the year	-	-
Less : Shares bought back	-	-
As at closing of the year	<b>24,93,500</b>	<b>24,93,500</b>

**Rights, Preferences And Restrictions Attached To Shares**

Each share holder is eligible to one vote per share held.

The company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend 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 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.



**SHREE BHAGWATI FLOUR AND FOODS PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**(B) Details of Shareholders holding more than 5% shares:**

PARTICULARS	31st March, 2024		31st March, 2023	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Number of Shares held by Shareholders holding more than 5% Shares				
(a) Shri Nitin R Patel	11,03,890.00	44.27%	11,03,890.00	44.27%
(b) Shri Vashishta N Patel	8,41,470.00	33.75%	8,41,470.00	33.75%
(c) Smt Hemangini N Patel	5,48,140.00	21.98%	5,48,140.00	21.98%
<b>TOTAL</b>	<b>24,93,500.00</b>	<b>100%</b>	<b>24,93,500.00</b>	<b>100%</b>

As per the records of the Company, including its register of shareholders/members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

**(C) Details of Shareholding of Promoters:**

Particulars	31st March, 2024		
	% of holding	No. of Shares	% change during the year
<b>Equity shares of Rs.10 each fully paid</b>			
(a) Shri Nitin R Patel	44.27%	11,03,890	0%
(b) Shri Vashishta N Patel	33.75%	8,41,470	0%
(c) Smt Hemangini N Patel	21.98%	5,48,140	0%
<i>(Each holder of Equity Shares is entitled to one vote per share)</i>			

Particulars	31st March, 2023		
	% of holding	No. of Shares	% change during the year
<b>Equity shares of Rs.10 each fully paid</b>			
Shri Nitin R Patel	44.27%	11,03,890	0%
Shri Vashishta N Patel	33.75%	8,41,470	0%
(c) Smt Hemangini N Patel	21.98%	5,48,140	0%
<i>(Each holder of Equity Shares is entitled to one vote per share)</i>			



## NOTES TO THE FINANCIAL STATEMENTS

## 4 RESERVES AND SURPLUS

PARTICULARS	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
General Reserve	1.00	1.00
<b>TOTAL (A)</b>	<b>1.00</b>	<b>1.00</b>
<b>Surplus :</b>		
Opening Balance	20,580.63	17,566.59
Add: Profit for the year	3,989.84	3,014.04
<b>TOTAL (B)</b>	<b>24,570.47</b>	<b>20,580.63</b>
<b>TOTAL (A)+(B)</b>	<b>24,571.47</b>	<b>20,581.63</b>

## 5 LONG TERM BORROWINGS

PARTICULARS	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
<b>SECURED BORROWINGS</b>		
(a) From Banks - Term Loans (Also refer Note 8 for current maturities of long term debt)	759.97	1,296.43
<b>UNSECURED BORROWINGS</b>		
From Directors	-	250.00
<b>TOTAL</b>	<b>759.97</b>	<b>1,546.43</b>

**Secured Borrowing****Term Loans :-**

## 1 Standard Chartered Bank

## (a) Term Loan A/c No. 004692852

Company has taken term loan of 744.13 lakhs ( 3 Month MIBOR + 3.39% ) from Standard Chartered Bank starting from September 2021, which has 29 remaining installment of 12.40 lakhs each.

## (b) Term Loan A/c No. 004754673

Company has taken term loan of 100.00 lakhs ( 3 Month MIBOR + 3.39% ) from Standard Chartered Bank starting from September 2021, which has 29 remaining installment of 1.67 each.

## (c) Term Loan A/c No. 004750224

Company has taken term loan of 200.00 lakhs ( 3 Month MIBOR + 3.39% ) from Standard Chartered Bank starting from September 2021, which has 29 remaining installment of 3.33 lakhs each.

## (d) Term Loan A/c No. 004886224

Company has taken term loan of 460.00 lakhs ( 3 Month MIBOR + 3.39% ) from Standard Chartered Bank starting from September 2021, which has 29 remaining installment of 7.67 lakhs each.

## (e) Term Loan A/c No. 005048191

Company has taken term loan of 330.00 lakhs ( 3 Month MIBOR + 3.39% ) from Standard Chartered Bank starting from September 2021, which has 29 remaining installment of 5.59 lakhs each.

## (f) Term Loan A/c No. 005220313

Company has taken term loan of 300.00 ( 3 Month MIBOR + 3.39% ) from Standard Chartered Bank starting from September 2021, which has 29 remaining installment of 5.55 lakhs each.



## NOTES TO THE FINANCIAL STATEMENTS

(g) Term Loan A/c No. 005160977

Company has taken term loan of 300.00 ( 3 Month MIBOR + 3.39% ) from Standard Chartered Bank starting from September 2021, which has 29 remaining installment of 5.36 lakhs each.

(h) Term Loan A/c No. 005262144

Company has taken term loan of 165.87 ( 3 Month MIBOR + 3.39% ) from Standard Chartered Bank starting from September 2021, which has 29 remaining installment of 3.13 lakhs each.

2. Above loans are secured by

(i) Hypothecation of plant & machinery

(ii) Quasi Commercial Property located at Survey No. 430, Sarkhej Bavla Highway, Moraiya, (Changodar) Ahmedabad - 382213, owned by the company.

(iii) Quasi Commercial Property located at Plot No. 2, Ozone Industrial Park, Bavla-Bagodara Highway, Bhayla, Ahmedabad owned by the company.

(iv) Quasi Commercial Property located at Plot No. 20, Ozone Industrial Park, Bavla-Bagodara Highway, Bhayla, Ahmedabad owned by the company.

(v) Personal guarantees of directors.

#### Unsecured Borrowing

The company has taken unsecured loan from Directors at the interest rate of 10% p.a.

#### 6 DEFERRED TAX LIABILITIES

(Figures in ₹ Lakhs)

Particulars	31st March, 2024		
	Opening Balance	Recognised in Profit & Loss	Closing Balance
<b>(a) Deferred Tax Assets</b>			
Provision for Expense allowable on cash basis	-	-	-
Provision for Gratuity & Leave Encashment	-	-	-
<b>Total Deferred Tax Assets</b>	-	-	-
<b>(b) Deferred Tax Liabilities</b>			
Property, Plant & Equipment and Intangible assets	530.72	243.04	773.76
<b>Total Deferred Tax Liabilities</b>	<b>530.72</b>	<b>243.04</b>	<b>773.76</b>
<b>Deferred Tax Assets/(Liabilities) Net</b>	<b>530.72</b>	<b>243.04</b>	<b>773.76</b>

Particulars	31st March, 2023		
	Opening Balance	Recognised in Profit & Loss	Closing Balance
<b>(a) Deferred Tax Assets</b>			
Provision for Expense allowable on cash basis	-	-	-
Provision for Gratuity & Leave Encashment	-	-	-
<b>Total Deferred Tax Assets</b>	-	-	-
<b>(b) Deferred Tax Liabilities</b>			
Property, Plant & Equipment and Intangible assets	478.10	52.62	530.72
<b>Total Deferred Tax Liabilities</b>	<b>478.10</b>	<b>52.62</b>	<b>530.72</b>
<b>Deferred Tax Assets/(Liabilities) Net</b>	<b>478.10</b>	<b>52.62</b>	<b>530.72</b>

The above deferred tax is calculated on the basis of substantively enacted tax rate of 25.168% (P.Y 25.168%).





## NOTES TO THE FINANCIAL STATEMENTS

## 7 OTHER LONG TERM LIABILITIES

PARTICULARS	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
Rental Deposit ( Building )	118.55	118.55
<b>TOTAL</b>	<b>118.55</b>	<b>118.55</b>

The company has received building rental deposits from Lessee against used of company's property located at Matoda.

## 8 SHORT TERM BORROWINGS

PARTICULARS	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
<b>SECURED BORROWINGS</b>		
(a) From Banks		
Loans repayable on demand	4,248.12	1,815.69
Current maturities of long-term debt	536.45	536.45
<b>TOTAL (A)</b>	<b>4,784.57</b>	<b>2,352.14</b>
<b>UNSECURED BORROWINGS</b>		
(a) From Directors	143.20	175.96
<b>TOTAL (B)</b>	<b>143.20</b>	<b>175.96</b>
<b>TOTAL (A)+(B)</b>	<b>4,927.77</b>	<b>2,528.10</b>

## (A) Secured Borrowings :-

The Company has taken Working capital loan in form of overdraft facility, cash credit and export packing credit. The details of the same are as under :

## 1 Overdraft Facility :-

## (a) State Bank of India

Company has taken overdraft facility from State Bank of India of Rs. 15.00 Lakhs at the interest rate of SBI FD Rate+1% against FD of Rs. 15.00 Lakhs.

## (b) Standard Chartered Bank

Company has taken overdraft facility of Rs. 2,200.00 Lakhs at the interest rate of (3 Month MIBOR + 3.39%) to be applied on daily balances on the Overdraft secured against stock of goods and book debts of the company and personal guarantee of directors.

## 2 Export Packing Credit Facility (Sublimit):-

Company has taken Export facility of Rs. 500.00 Lakhs at the interest rate of LIBOR + 110 bppa (Variable) to be applied on Post shipment & Pre Shipment facility valid for 90 days period.

## 3 Export Bill Discounting Facility (Sublimit):-

Company has taken Export Bill Discounting facility of Rs. 500.00 Lakhs at the interest rate of LIBOR + 110 bppa (Variable) to be applied for discounting of Document against Acceptance (DA) bills and document against Payment (DP) bills, drawn on buyers acceptance to the Bank, on a with recourse basis valid for 120 days period.

## 4 Unsecured Borrowings :-

Interest charged on borrowings from Directors @ 10% which is repayable on demand.



(B) Borrowings Secured against Current Assets:

(Figures in ₹ Lakhs)

Quarter ended	Name of Bank	Details of Security Provided	Amount as per Books	Amount reported in quarterly returns	Amount of Difference	Reason for Material discrepancies#
Jun-23		Inventory	3,436.45	3,436.45	-	None
		Receivables	1,398.42	1,398.42	-	
Sep-23		Inventory	5,233.85	5,233.85	-	
		Receivables	2,026.93	2,026.93	-	
Dec-23	Standard Chartered Bank	Inventory	4,640.59	4,640.59	-	
		Receivables	1,938.55	1,938.55	-	
Mar-24		Inventory	4,851.52	4,754.96	96.56	
		Receivables	1,778.82	1,778.82	-	

# Considered Upto 5% of amount reported in quarterly returns



**SHREE BHAGWATI FLOUR AND FOODS PRIVATE LIMITED**

**NOTES TO FINANCIAL STATEMENTS**

**9 TRADE PAYABLES**

PARTICULARS	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
(a) Due to Micro and Small Enterprises	-	-
(b) Due to related parties	-	-
(c) Due to Others	314.20	2,084.51
<b>TOTAL</b>	<b>314.20</b>	<b>2,084.51</b>

**TRADE PAYABLES AGEING SCHEDULE**

PARTICULARS	31st March, 2024						
	Outstanding for following periods from due date of payment						
	Unbilled Dues	Not due for payment	Less than 1 year	1 - 2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	151.64	31.89	45.71	84.95	314.20
(iii) Disputed dues MSME	-	-	-	-	-	-	-
(iv) Disputed dues Others	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>151.64</b>	<b>31.89</b>	<b>45.71</b>	<b>84.95</b>	<b>314.20</b>

PARTICULARS	31st March, 2023						
	Outstanding for following periods from due date of payment						
	Unbilled Dues	Not due for payment	Less than 1 year	1 - 2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	1,874.43	78.03	57.22	45.47	29.37	2,084.51
(iii) Disputed dues MSME	-	-	-	-	-	-	-
(iv) Disputed dues Others	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>1,874.43</b>	<b>78.03</b>	<b>57.22</b>	<b>45.47</b>	<b>29.37</b>	<b>2,084.51</b>

(i) Balances of above Trade Payables are subject to Balance confirmation.

(ii) As explained to us, the company has requested all vendors to provide evidence of MSME Registration. However, The Company has not received confirmation from any vendor with evidence. Based on the above information, the company has not shown any amount outstanding to MSME Vendor. Further, in view of the Management, the impact of interest, if any, that may be payable in accordance with the provision of the Act is not expected to be material. The company has not received any claim for interest from any supplier as at the Balance Sheet date. The company has neither paid any interest nor provided for interest to MSME Vendor.



PARTICULARS	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
(a) Principal amount remaining unpaid to any supplier as at the year end	-	-
(b) Interest due remaining unpaid to any supplier as at the year end	-	-
(c) Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
(d) 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	-	-
(e) Amount of interest accrued and remaining unpaid at the end of the financial year	-	-
(f) 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.	-	-
<b>Total</b>	-	-

On the basis of information and records available with the Company, the above disclosures are made in respect of amounts due to the micro enterprises and small enterprises, who have registered with relevant competent authorities. This has been relied upon by the auditors.



## NOTES TO THE FINANCIAL STATEMENTS

## 10 OTHER CURRENT LIABILITIES

PARTICULARS	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
(a) Statutory Payments	151.02	110.52
(b) Advance received from customers	9.02	154.25
(c) Gratuity Liabilities	0.54	-
(d) Trade Deposits	125.87	116.26
(e) Other payables	428.73	459.44
<b>TOTAL</b>	<b>715.18</b>	<b>840.48</b>

## 11 SHORT TERM PROVISIONS

PARTICULARS	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
Provision of Income tax (Net)	172.32	327.46
<b>TOTAL</b>	<b>172.32</b>	<b>327.46</b>



**SHREE BHAGWATI FLOUR AND FOODS PRIVATE LIMITED**

**NOTES TO FINANCIAL STATEMENTS**

**12. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS**

(Figures in ₹ Lakhs)

PARTICULARS	Gross Block			Depreciation fund			Net block		
	As at 1st April, 2023	Additions	Deduction/ Adjustment	As at 31st March, 2024	As at 1st April, 2023	For the year	Adjustments for sale	As at 31st March, 2024	As at 31st March, 2023
<b>(A) Property, Plant &amp; Equipment:</b>									
Land & Land Development	1,329.96	-	-	1,329.96	-	-	-	1,329.96	1,329.96
Building	6,070.64	5,212.44	-	11,283.08	1,322.73	380.58	-	9,579.77	4,747.91
Plant and machinery	3,462.15	4,713.21	-	8,175.37	1,291.32	467.51	-	6,416.54	2,170.83
Office equipments	158.04	8.08	-	166.13	100.94	13.98	-	51.20	57.10
Computers & Printers	73.11	13.82	-	86.93	62.85	5.74	-	18.34	10.26
Vehicles	1,023.20	41.62	(16.12)	1,048.70	589.48	92.94	(15.31)	381.59	633.72
Furniture and fixtures	273.40	78.16	-	351.56	151.05	30.94	-	169.97	122.35
Wind mill	353.00	-	-	353.00	246.15	13.60	-	93.24	106.85
<b>TOTAL (A)</b>	<b>12,743.51</b>	<b>10,067.33</b>	<b>(16.12)</b>	<b>22,794.72</b>	<b>3,764.53</b>	<b>1,004.90</b>	<b>(15.31)</b>	<b>18,040.61</b>	<b>8,978.98</b>
<b>(B) Intangible Assets:</b>									
Computer software	24.64	-	-	24.64	23.41	-	-	23.41	1.23
Membership fees	11.58	-	-	11.58	11.58	-	-	-	-
<b>TOTAL (B)</b>	<b>36.23</b>	<b>-</b>	<b>-</b>	<b>36.23</b>	<b>34.99</b>	<b>-</b>	<b>-</b>	<b>34.99</b>	<b>1.23</b>
<b>(C) Capital WIP</b>									
	8,976.63	424.51	(9,104.99)	296.15	-	-	-	296.15	8,976.63
<b>TOTAL (C)</b>	<b>8,976.63</b>	<b>424.51</b>	<b>(9,104.99)</b>	<b>296.15</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>296.15</b>	<b>8,976.63</b>
<b>Total (A + B + C)</b>	<b>21,756.36</b>	<b>10,491.84</b>	<b>(9,121.11)</b>	<b>23,127.10</b>	<b>3,799.52</b>	<b>1,004.90</b>	<b>(15.31)</b>	<b>18,338.00</b>	<b>17,956.85</b>
Previous year	19,091.66	2,720.36	(55.65)	21,756.36	3,294.00	535.63	(30.12)	17,956.85	15,797.65

Note-1: All the title deeds in respect of immovable properties were held in the name of the company.

Note-2: Borrowing cost capitalised during the year Rs. 57.32 lakhs in CWIP or other assets (Previous year Rs. 172.52 lakhs included in Capital WIP)



## NOTES TO FINANCIAL STATEMENTS

## Capital-Work-In Progress

## Ageing Schedule

(Figures in ₹ Lakhs)

31st March, 2024					
Amount in CWIP for a period of					
CWIP	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
<b>Projects in Progress</b>					
Papad Plant	286.53	-	-	-	286.53
Bhayla Unit-IV	7.76	-	-	-	7.76
Furniture	1.87	-	-	-	1.87
<b>Total</b>	<b>296.15</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>296.15</b>

Note: Papad Plant expected to be completed by 31/05/2024, Furniture expected to be completed by 15/05/2024 and Bhayla Unit IV expected to be completed by 31/03/2026.

## Capital-Work-In Progress

## Ageing Schedule

(Figures in ₹ Lakhs)

31st March, 2023					
Amount in CWIP for a period of					
CWIP	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
<b>Projects in Progress</b>					
Bhayla Unit IV	2,338.11	2,676.93	2,993.24	944.60	8,952.88
Weigh Bridge	1.90	-	-	21.85	23.75
<b>Total</b>	<b>2,340.01</b>	<b>2,676.93</b>	<b>2,993.24</b>	<b>966.45</b>	<b>8,976.63</b>



## NOTES TO THE FINANCIAL STATEMENTS

## 13 NON-CURRENT INVESTMENTS

PARTICULARS	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
Non quoted (at cost)		
(a) Investments in Govt. Securities NSC VI Series	0.18	0.18
(b) Investments in immovable property	1,919.10	1,919.10
(c) Investment in Amplus Realty Fund-1	21.70	21.70
(d) Investment in Amplus Realty Fund-2	1.62	1.62
<b>TOTAL</b>	<b>1,942.60</b>	<b>1,942.60</b>

The company has investment property which is located at Matoda which is given on lease by the company. The company has constructed two sheds of 1,79,617 Sq. Ft.

## 14 LONG TERM LOANS AND ADVANCES

(Unsecured and Considered Good)

PARTICULARS	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
(a) Capital Advances	22.71	49.87
<b>TOTAL</b>	<b>22.71</b>	<b>49.87</b>

## 15 OTHER NON CURRENT ASSETS

PARTICULARS	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
(a) Security Deposits	176.13	131.46
(b) Fixed deposits	15.00	15.00
(c) Accrued Interest on Fixed Deposits	3.93	3.08
<b>TOTAL</b>	<b>195.06</b>	<b>149.55</b>

Of the above, Fixed Deposit of Rs. 15.00 lakhs is Lien marked against Overdraft Facilities.

## 16 INVENTORIES

PARTICULARS	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
(a) Raw Materials	2,916.48	2,128.84
(b) Finished Goods *	890.52	741.00
(c) Packing Material	1,044.53	896.42
(d) Stores and Spares	81.15	-
<b>TOTAL</b>	<b>4,932.68</b>	<b>3,766.25</b>

\*(Including Goods in Transit amounting to Rs. 96.56 Lakhs Rs. NIL in Previous year)

Inventories are valued as under

PARTICULARS	31st March, 2024	31st March, 2023
(a) Raw Materials	At cost or net realisable value whichever is less	At cost or net realisable value whichever is less
(b) Finished Goods	At cost or net realisable value whichever is less	At cost or net realisable value whichever is less
(c) Others (Packing Material)	At cost or net realisable value whichever is less	At cost or net realisable value whichever is less





## NOTES TO THE FINANCIAL STATEMENTS

## 17 TRADE RECEIVABLES

PARTICULARS	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
(i) Undisputed Trade Receivables - Considered Good	5,360.23	2,610.93
(ii) Undisputed Trade Receivables - Considered doubtful	-	-
(iii) Disputed Trade Receivables Considered good	-	-
(iv) Disputed Trade Receivables Considered doubtful	-	6.03
<b>TOTAL</b>	<b>5,360.23</b>	<b>2,616.96</b>

## TRADE RECEIVABLES AGEING SCHEDULE

PARTICULARS	31st March, 2024						
	Outstanding for following periods from due date of payment						
	Not due for payment	Less than 6 months	6 months - 1 year	1-2 year	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables - Considered Good	-	5,112.46	204.66	42.92	0.19	-	5,360.23
(ii) Undisputed Trade Receivables - Considered doubtful	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables Considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables Considered doubtful	-	-	-	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>5,112.46</b>	<b>204.66</b>	<b>42.92</b>	<b>0.19</b>	<b>-</b>	<b>5,360.23</b>

Note: The above receivables includes receivable from related party in which director are interested of Rs. NIL (Rs. NIL in Previous Year)



## NOTES TO THE FINANCIAL STATEMENTS

PARTICULARS	31st March, 2023						
	Outstanding for following periods from due date of payment						
	Not due for payment	Less than 6 months	6 months - 1 year	1-2 year	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables - Considered Good	2,494.59	-	114.71	1.64	-	-	2,610.93
(ii) Undisputed Trade Receivables - Considered doubtful	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables - Considered good	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered doubtful	-	-	-	-	-	6.03	6.03
<b>TOTAL</b>	<b>2,494.59</b>	<b>-</b>	<b>114.71</b>	<b>1.64</b>	<b>-</b>	<b>6.03</b>	<b>2,616.96</b>

Note : The Company has called for balance confirmation of Trade Receivables on random basis. Out of which the Company has received response from some of the parties, which are reconciled with the Company's account. The other balances of Trade Receivables are subject to confirmation.



## NOTES TO THE FINANCIAL STATEMENTS

## 18 CASH AND CASH EQUIVALENTS

PARTICULARS	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
(a) Bank Balances	567.39	1,197.60
(b) Cash on Hand	13.00	4.29
<b>TOTAL</b>	<b>580.40</b>	<b>1,201.89</b>

## 19 SHORT TERM LOANS AND ADVANCES

(Unsecured and Considered Good)

PARTICULARS	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
(a) Advance payment for expenses	151.24	177.31
(b) Staff advance	4.98	2.97
(c) Advance to others	766.40	802.96
(d) Advance to supplier	13.47	32.16
<b>TOTAL</b>	<b>936.10</b>	<b>1,015.41</b>

## 20 OTHER CURRENT ASSETS

PARTICULARS	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
(a) Interest receivable	7.95	3.95
(b) Export benefit receivables	168.19	25.29
(c) Other receivables - Windmill	12.40	3.96
(d) Gratuity Asset	-	7.83
(e) Balances with Government Authorities	79.57	40.40
(f) Prepaid expenses	26.68	26.42
<b>TOTAL</b>	<b>294.79</b>	<b>107.85</b>



## NOTES TO THE FINANCIAL STATEMENTS

## 21 REVENUE FROM OPERATIONS

PARTICULARS	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
Sales of Trading Goods	40,967.61	26,967.44
Sales of Manufacturing Goods	17,830.70	15,824.83
Sale of Electricity	50.24	40.31
Other Operating Revenue	504.71	298.64
<b>TOTAL</b>	<b>59,353.26</b>	<b>43,131.22</b>

## 22 OTHER INCOME

PARTICULARS	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
Interest Income	79.15	87.89
Rental Income	587.89	567.68
Profit on sale of assets	0.67	3.98
Gain on foreign currency transaction	208.01	195.86
<b>TOTAL</b>	<b>875.72</b>	<b>855.41</b>

## 23 COST OF MATERIALS CONSUMED

PARTICULARS	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
Flour & Spices	12,185.77	10,085.17
<b>TOTAL</b>	<b>12,185.77</b>	<b>10,085.17</b>

## 24 TRADING PURCHASES

PARTICULARS	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
Purchase of stock in trade and related expenses	31,396.26	20,677.68
<b>TOTAL</b>	<b>31,396.26</b>	<b>20,677.68</b>

## 25 CHANGE IN INVENTORIES OF FINISHED GOODS, WIP &amp; STOCK IN TRADE

PARTICULARS	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
Opening Stock	741.00	569.86
<b>TOTAL (A)</b>	<b>741.00</b>	<b>569.86</b>
Closing Stock*	890.52	741.00
<b>TOTAL (B)</b>	<b>890.52</b>	<b>741.00</b>
<b>TOTAL (A - B)</b>	<b>(149.52)</b>	<b>(171.14)</b>

\*(Including Goods in Transit amounting to Rs. 96.56 Lakhs)



## NOTES TO THE FINANCIAL STATEMENTS

## 26 EMPLOYEE BENEFITS EXPENSES

PARTICULARS	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
Salaries and Wages	1,325.02	1,080.03
Contribution to provident fund and other funds	47.84	48.04
Staff welfare expenses	28.63	23.37
<b>TOTAL</b>	<b>1,401.49</b>	<b>1,151.44</b>

## 27 FINANCE COSTS

PARTICULARS	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
Interest to Bank	272.41	82.76
Interest to Depositors	55.01	100.03
Interest on TDS and others	1.99	1.21
<b>TOTAL</b>	<b>329.40</b>	<b>184.00</b>

## 28 OTHER EXPENSES

PARTICULARS	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
Advertisement & Publicity	683.81	390.89
Consumption of stores and spare parts	81.75	46.17
Packing material consumption	2,496.84	1,947.07
Freight outward	946.03	526.48
Export clearing and forwarding charges	371.91	248.61
Insurance	58.68	39.50
Labour for packing	1,131.85	892.35
Power and fuel	382.84	205.22
Rent expense	88.74	83.73
Repairs & Maintenance	272.95	110.14
Sales promotion expense	1,059.01	2,088.21
Corporate Social Responsibility expenses	78.50	71.79
Miscellaneous expenses	1,056.34	896.35
Payments to the Auditor as (a) Auditor	5.78	5.25
<b>TOTAL</b>	<b>8,715.01</b>	<b>7,551.74</b>

## 29 TAX EXPENSES

PARTICULARS	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
Current Tax	1,100.00	950.00
<b>TOTAL</b>	<b>1,100.00</b>	<b>950.00</b>

The company has made Income tax provision of Rs. 1,100.00 Lakhs for the year 2023-24 (Previous Year Rs. 950.00 Lakhs)



## NOTES TO THE FINANCIAL STATEMENTS

## 30. EMPLOYEE BENEFITS

As per revised Accounting Standard 15 (AS-15) "Employees Benefits", the Company has recognized in the financial statements in respects of Employee Benefits Schemes as per Actuarial Valuation as on 31st March 2024.

## Reconciliaiton of Defined Benefit Obligations ( DBO )

Particulars	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
Opening balance of present Value Of Obligation	62.25	46.77
Current service cost	10.18	8.07
Interest Cost	4.48	3.27
Benefit Paid	(0.90)	(5.10)
Acturial (Gain)/Loss	6.02	9.23
Closing balance of present Value Of Obligation	82.04	62.25

## Reconciliaiton of fair value of plan assets

Particulars	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
Opening balance of Fair Value of Plan assets	70.09	44.75
Contribution by employers	7.69	28.13
Benefit Paid	(0.90)	(5.10)
Expected Return on Plan Assets	5.33	3.03
Acturial Loss /(Gains)	(0.71)	(0.73)
Closing balance of Fair Value of Plan assets	81.50	70.09
Actual Return on Plan Assets	4.62	2.30
Expected Employer Contribution for the coming year	5.00	-

## Expenses recognised in the Profit and Loss Account

Particulars	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
Current Service Cost	10.18	8.07
Interest Cost	4.48	3.27
Expected return on plan assets	(5.33)	(3.03)
Actuarial (gain)/loss	6.73	9.96
Total Expenses recognized in the Statment of Profit and Loss	16.07	18.27



## NOTES TO THE FINANCIAL STATEMENTS

## Net Liability/ (Asset) recognised in the Balance Sheet

Particulars	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
Present Value of Defined Benefit obligation	82.04	62.25
Fair Value of Plan assets	81.50	70.09
Net Liability/ (Asset)	0.54	(7.83)
Less: Unrecognised Past Service Cost	-	-
Liability/ (Asset) recognised in the Balance Sheet	0.54	(7.83)
Of which, Short-term Provision	-	-

## Percentage Break-down of Total Plan Assets

Particulars	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
Insurer Managed Funds (Traditionals)	100%	100%

## Actuarial Assumption

Particulars	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
Salary Growth Rate (per annum)	6.00%	6.00%
Discount Rate (per annum)	7.00%	7.20%
Expected Return on assets (per annum)	7.20%	7.00%
Withdrawal Rate	5.00%	5.00%
Mortality Rate	IALM 2012-14 (Ult.)	IALM 2012-14 (Ult.)
Weighted average duration of obligation	9 years	9 years

## Experience Adjustments

Particulars	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
Defined Benefit Obligation	82.04	62.25
Fair Value of Plan Assets	81.50	70.09
Surplus/ (Deficit)	(0.54)	7.83
Experience Adjustment on Plan Liabilities: (Gain)/ Loss	4.65	10.32
Experience Adjustment on Plan Assets: Gain/ (Loss)	(0.57)	(0.56)



## NOTES TO THE FINANCIAL STATEMENTS

## 31. SEGMENT REPORTING

## (a) Analysis by Business Segment

## Segment Revenue and Expense:

Segment Revenue and Expense are the operating revenue and expense reported in the Company's Statement of Profit and Loss that are directly attributable to a segment and the relevant portion of such revenue and expense that can be allocated on a reasonable basis to a segment.

## Segment Assets and Liabilities:

Segment assets include all operating assets used by a segment and consist principally of operating receivables, inventories and property, plant and equipment, net of allowances and provisions. Capital Expenditure includes the total cost incurred to acquire property, plant and equipment directly attributable to the segment. Segment liabilities include all operating liabilities and consist principally of trade payables and accrued expenses.

Financial year ended on 31st March, 2024

(Figures in ₹ Lakhs)

Particulars	Food Unit	Rental Unit	Windmill Unit	Total
<b>Revenue</b>				
Revenue from operations	58,715.13	587.89	50.24	59,353.26
Other Income	875.72	-	-	875.72
<b>Total Revenue</b>	<b>59,590.85</b>	<b>587.89</b>	<b>50.24</b>	<b>60,228.98</b>
<b>Segment Results</b>	<b>4,970.03</b>	<b>19.93</b>	<b>26.32</b>	<b>5,016.29</b>
Finance Cost	329.40	-	-	329.40
<b>Profit Before Tax</b>				<b>5,345.49</b>
Income Tax Expense				1,112.81
Deferred Tax Expense				243.04
<b>Profit After Tax</b>				<b>3,989.84</b>

(Figures in ₹ Lakhs)

Particulars	Food Unit	Rental Unit	Windmill Unit	Total
<b>Balancesheet</b>				
<b>Assets:</b>				
Segment Assets	30,577.82	1,919.10	105.64	32,602.57
<b>Total Assets</b>				<b>32,602.57</b>
<b>Liabilities:</b>				
Segment Liabilities (Except Shareholder Fund)	6,888.47	118.55	0.96	7,007.98
Deferred Tax Liabilities				773.76
<b>Total Liabilities</b>				<b>7,781.74</b>





SHREE BHAGWATI FLOUR AND FOODS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Financial year ended on 31st March, 2023

(Figures in ₹ Lakhs)

Particulars	Food Unit	Rental Unit	Windmill Unit	Total
<b>Revenue</b>				
Revenue from operations	42,523.23	567.68	40.31	43,131.22
Other Income	855.41	-	-	855.41
<b>Total Revenue</b>	<b>43,378.64</b>		<b>40.31</b>	<b>43,986.63</b>
<b>Segment Results</b>	<b>4,109.79</b>	<b>19.93</b>	<b>26.38</b>	<b>4,156.10</b>
Finance Cost	855.41	-	-	184.00
<b>Profit Before Tax</b>				<b>3,972.10</b>
Income Tax Expense				905.43
Deferred Tax Expense				52.62
<b>Profit After Tax</b>				<b>3,014.04</b>

(Figures in ₹ Lakhs)

Particulars	Food Unit	Rental Unit	Windmill Unit	Total
<b>Balancesheet</b>				
<b>Assets:</b>				
Segment Assets	26,781.28	1,919.10	106.85	28,807.23
<b>Total Assets</b>				<b>28,807.23</b>
<b>Liabilities:</b>				
Segment Liabilities (Except Shareholder Fund)	7,299.34	118.55	27.63	7,445.52
Deferred Tax Liabilities				530.72
<b>Total Liabilities</b>				<b>7,976.25</b>

(b) Analysis by Geographical Segment

Segment Revenue

Segment Revenue is analysed on the location of customers regardless of where the goods are produced. The following provides an analysis of the company's sales by geographical markets.

PARTICULARS	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
Export Sales	22,334.45	13,096.44
Domestic Sales	37,018.82	30,034.78
<b>Total</b>	<b>59,353.26</b>	<b>43,131.22</b>



**SHREE BHAGWATI FLOUR AND FOODS PRIVATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**32. RELATED PARTY DISCLOSURES:**

**(A) List of Related Parties:**

Nature of Relationship	Name of Person
<b>Key managerial personnel :</b>	Nitin R. Patel Vashistha N. Patel Hemangini N. Patel Amula V. Patel Ankit U. Acharya Tushar D. Patel
<b>Relatives of key managerial personnel :</b>	Pramukh D Parikh Sushila P Parikh
<b>Enterprises in which key managerial personnel and their relatives are able to exercise significant influence:</b>	Shri Bhagwati Flour Mills Private Limited Rushika Trading Company Rushika Food Products Private Limited Gaaychaap Besanwala Trust

**(B) Details of transactions with the related parties during the year.**

**(i) Transactions with key managerial personnel:**

Nature of transactions	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
<b>Payment of Managerial Remunerartion</b>		
Nitin R. Patel	132.00	132.00
Vashistha N. Patel	240.00	240.00
Hemangini N. Patel	220.00	120.00
Amula V. Patel	220.00	120.00
Ankit U. Acharya	8.24	7.51
Tushar D. Patel	8.81	8.32
	<b>829.06</b>	<b>627.83</b>



**SHREE BHAGWATI FLOUR AND FOODS PRIVATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

<b>Payment of Bonus</b>		
Ankit U. Acharya	0.30	0.23
Tushar D. Patel	0.30	0.23
	<b>0.60</b>	<b>0.46</b>
<b>Payment of Leave Encashment</b>		
Tushar D. Patel	0.45	0.40
Ankit U. Acharya	0.42	0.38
	<b>0.87</b>	<b>0.78</b>
<b>Payment of Interest</b>		
Nitin R. Patel	21.93	31.87
Vashistha N. Patel	6.35	43.20
Hemangini N. Patel	7.51	14.73
Amula V. Patel	11.14	3.31
	<b>46.93</b>	<b>93.11</b>
<b>Reimbursement of Expenses</b>		
Amulaben V. Patel	1.76	-
Nitinbhai R. Patel	0.50	-
Vashishtha N. Patel	1.55	-
	<b>3.81</b>	<b>-</b>
<b>Loan taken</b>		
Nitin R. Patel	21.93	200.67
Vashistha N. Patel	416.35	756.20
Hemangini N. Patel	7.51	49.73
Amula V. Patel	511.14	3.31
	<b>956.93</b>	<b>1,009.91</b>
<b>Loan repaid</b>		
Nitin R. Patel	237.19	561.19
Vashistha N. Patel	480.63	1,569.32
Hemangini N. Patel	0.75	156.47
Amula V. Patel	521.11	0.33
	<b>1,239.69</b>	<b>2,287.31</b>

**(ii) Transactions with Relative of key managerial personnel:**

Nature of transactions	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
<b>Payment of Professional Fees</b>		
Pramukh D Parikh	23.02	19.92
Sushila P Parikh	-	1.80
	<b>23.02</b>	<b>21.72</b>

**SHREE BHAGWATI FLOUR AND FOODS PRIVATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

(iii) Transactions with Enterprises in which key managerial personnel and their relatives are able to exercise significant influence:

Nature of transactions	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
<b>Purchase of Goods</b>		
Shri Bhagwati Flour Mills Private Limited	15,106.92	12,950.55
Rushika Trading Company	19.26	-
<b>TOTAL</b>	<b>15,126.17</b>	<b>12,950.55</b>
<b>Job Work Charges</b>		
Shri Bhagwati Flour Mills Private Limited	96.76	-
<b>TOTAL</b>	<b>96.76</b>	<b>-</b>
<b>Sales of Goods</b>		
Shri Bhagwati Flour Mills Private Limited	125.18	76.60
<b>TOTAL</b>	<b>125.18</b>	<b>76.60</b>
<b>Lease Rent</b>		
Shri Bhagwati Flour Mills Private Limited	18.00	18.00
<b>TOTAL</b>	<b>18.00</b>	<b>18.00</b>

Payment for Donation / Corporate Social Responsibility:

Nature of transactions	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
Gaaychap besanwala trust	70.00	42.59
<b>TOTAL</b>	<b>70.00</b>	<b>42.59</b>



**SHREE BHAGWATI FLOUR AND FOODS PRIVATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**(C) Outstanding Balances with key managerial personnel:**

Particulars	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
<b>Unsecured Loan</b>		
Nitin R. Patel	24.59	239.85
Vashistha N. Patel	10.62	74.91
Hemangini N. Patel	81.90	75.13
Amula V. Patel	26.09	36.06
<b>TOTAL</b>	<b>143.20</b>	<b>425.96</b>

**Outstanding Balances with Enterprises in which Directors have significant influence:**

Particulars	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
<b>Creditors for goods :</b>		
Shri Bhagwati Flour Mills Private Limited	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

Particulars	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
<b>Trade receivables for goods :</b>		
Shri Bhagwati Flour Mills Private Limited	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

**33. LEASE**

The Company has operating lease for the Land which are renewable on a periodic basis and cancellable at its option. Rental expenses for operating lease are charged to Statement of Profit and Loss for the year Rs. 18 Lakhs (Previous year Rs. 18 Lakhs) pertaining to Lease period later than 9 years.



**SHREE BHAGWATI FLOUR AND FOODS PRIVATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**34 EARNING PER SHARE**

(Figures in ₹ Lakhs)

PARTICULARS	31st March, 2024	31st March, 2023
Net Profit after tax attributable to shareholders	3,989.84	3,014.04
Weighted average number of equity shares at the end of year (In absolute)	24,93,500	24,93,500
Nominal value of share (Figures in ₹)	10.00	10.00
Basic / Diluted earning per share before extraordinary items (Figures in ₹)	160.01	120.88
Basic / Diluted earning per share after extraordinary items (Figures in ₹)	160.01	120.88

**35 CONTINGENT LIABILITIES AND COMMITMENTS**

**Not Provided For In The Accounts**

PARTICULARS	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
In respect of Bank Guarantee	12.84	12.84

The Company has issued counter guarantee to Standard Chartered Bank against bank guarantee given by bank favouring Gujarat Energy Transmission Corporation Limited which is as under:

Bank Guarantee No.	(Figures in ₹ Lakhs)
530020032544	12.84

The Company doesn't have any pending litigations, which would impact its financial position in its financial statements.

**36 EXPENDITURE IN FOREIGN CURRENCY**

PARTICULARS	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
Travelling Expenses	25.66	11.39
Import Purchase	2,130.53	-
Others	22.29	16.94
<b>TOTAL</b>	<b>2,178.48</b>	<b>28.32</b>



**SHREE BHAGWATI FLOUR AND FOODS PRIVATE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**37 Earnings in Foreign exchange:**

PARTICULARS	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
FOB value of exports	22,275.00	14,739.43
Add: Recovery of Freight and insurance	29.79	1,643.17
<b>TOTAL</b>	<b>22,304.79</b>	<b>16,382.60</b>

**38 CORPORATE SOCIAL RESPONSIBILITY**

PARTICULARS	(Figures in ₹ Lakhs)	
	31st March, 2024	31st March, 2023
a) amount required to be spent by the Company during the year	77.80	71.79
b) amount of expenditure incurred	78.50	71.79
c) Excess/(shortfall) at the end of the year	(0.71)	(0.01)
d) total of previous year shortfall	(0.01)	(0.01)
e) reason for shortfall	Nil	Nil
f) nature of CSR activities	Contribution for Medical, Education and Health Sector	Contribution for Medical, Education and Health Sector
g) details of related party transactions, i.e. contribution to a trust controlled by the company in relation to CSR expenditure as per relevant accounting standard	Contribution to Gaay Chaap Besarwala Trust Rs. 70.00 lakhs	Contribution to Gaay Chaap Besarwala Trust Rs. 42.59 lakhs
h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	Nil	Nil



## NOTES TO THE FINANCIAL STATEMENTS

## 39 ANALYTICAL RATIOS

Sr. No.	Particulars		31st March, 2024	31st March, 2023	Variance
1	Current Ratio		1.97	1.51	31%
	Numerator	Current Assets			
	Denominator	Current Liabilities			
On account of decrease in trade payables.					
2	Debt - Equity Ratio		0.23	0.20	17%
	Numerator	Total Debt			
	Denominator	Shareholder's Equity			
3	Debt-Service Coverage Ratio:		5.45	4.17	31%
	Numerator	Earnings available for debt service			
	Denominator	Debt Service			
The reason for variance is due to new term loan taken for expansion of project at Bhayla Unit - IV					
4	Return on Equity		0.17	0.16	12%
	Numerator	Net Profit after taxes			
	Denominator	Average shareholder's equity			
5	Inventory Turnover Ratio		9.99	8.43	18%
	Numerator	Cost of Goods sold			
	Denominator	Average inventory			
6	Trade Receivable turnover ratio		14.88	13.57	10%
	Numerator	Net credit Sales			
	Denominator	Average Trade receivable			
7	Trade Payable turnover ratio		39.19	19.68	99%
	Numerator	Net Credit Purchase			
	Denominator	Average Trade payable			
On account of decrease in trade payables.					





## NOTES TO THE FINANCIAL STATEMENTS

8	Net Capital Turnover Ratio		13.33	15.88	-16%
	Numerator	Net Sales			
	Denominator	Average Working Capital			
9	Net Profit Ratio		0.07	0.07	-4%
	Numerator	Net Profit(PBT)			
	Denominator	Net Sales			
10	Return on Capital Employed		0.22	0.19	14%
	Numerator	Earning before Interest and Taxes			
	Denominator	Capital Employed			
11	Return on Investment		NA	NA	0%
	Numerator	Profit/Earnings			
	Denominator	Investments			

40 Value of Import on CIF Basis Rs. Nil ( previous year Rs. 24.68 lakhs)

41 All amounts in these financial statements, except per share amounts and unless as stated otherwise, have been rounded off to two decimal places and have been presented in 'Lakhs'. and Rs. 0.00 represents amount below Rs. 1 Lakhs.

42 Comparative figures have been regrouped/ reclassified wherever necessary and possible to conform to current period's presentation.

43 Events after the reporting period:

On May 13th, 2024, the Company filed an application with the National Company Law Tribunal (NCLT) Ahmedabad seeking sanction of the Composite Scheme of Arrangement presented under Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 for amalgamation of Shri Bhagwati Flour Mills Private Limited into Shree Bhagwati Flour and Foods Private Limited and demerger of Real Estate Business Undertaking of Shree Bhagwati Flour and Foods Private Limited into Yellow Soul Foods Private Limited.

44 With regards to the additional disclosures in respect of Schedule III are as under:-

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- (ii) The Company has not been declared willful defaulter by any bank or financial institution or other lender.
- (iii) The Company have not any such transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (iv) There is no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.


NOTES TO THE FINANCIAL STATEMENTS

- (v) The company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (vi) The Company have not traded or invested in Crypto currency or virtual currency during the financial year.
- (vii) The Company do not have any transactions with Companies struck off.
- (viii) In the opinion of the management of the Company and to the best of their 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 person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ix) In the opinion of the management of the Company and to the best of their knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), 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 by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Signature to Notes 1 TO 44

AS PER OUR REPORT ATTACHED

FOR M. HAWA & ASSOCIATES  
CHARTERED ACCOUNTANTS  
FRN : 103598W

  
( M. M. HAWA )  
PROPRIETOR  
M. NO.: 40790  
PLACE : AHMEDABAD  
DATE : 25/06/2024



FOR AND ON BEHALF OF THE BOARD

NITIN R. PATEL  
Director  
DIN: 01872924

VASHISTHA N. PATEL  
Director  
DIN: 00953577

PLACE : AHMEDABAD  
DATE : 25/06/2024

## YELLOW SOUL FOODS PRIVATE LIMITED

## PROVISIONAL UNAUDITED BALANCE SHEET FOR THE YEAR ENDED 31st MARCH, 2024

PARTICULARS	Note No.	(Amount in Rupees)	
		31st March, 2024	31st March, 2023
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
(a) Share Capital	1	2,00,000	2,00,000
(b) Reserve & Surplus	2	8,27,704	-
<b>Total Shareholders funds</b>		<b>10,27,704</b>	<b>2,00,000</b>
<b>2. Share Application Money Pending Allotment</b>		-	-
<b>3. Non Current Liabilities</b>	3		
(a) Long-Term Borrowings		5,00,000	-
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long term Liabilities		-	-
(d) Long-Term Provisions		-	-
<b>Total Non-current liabilities</b>		<b>5,00,000</b>	-
<b>4. Current Liabilities</b>	4		
(a) Short-Term Borrowings		-	-
(b) Trade Payables		25,00,538	-
(c) Other Current Liabilities		-	-
(d) Short-Term Provisions		2,85,000	-
<b>Total current liabilities</b>		<b>27,85,538</b>	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>43,13,242</b>	<b>2,00,000</b>
<b>II. ASSETS</b>			
<b>1. Non-Current Assets</b>	5		
(a) Property, Plant and Equipment and Intangible Assets			
(i) Property, Plant and Equipment		-	-
(ii) Intangible Assets		-	-
(iii) Capital Work-In-Progress-Tangible		-	-
(iv) Intangible Assets Under Development		-	-
(b) Non Current Investment		-	-
(c) Deferred Tax Assets (Net)		-	-
(d) Long-Term Loans & Advances		-	-
(e) Other Non-Current Assets		9,150	15,250
<b>2. Current Assets</b>	6		
(a) Current Investments		-	-
(b) Inventories		-	-
(c) Trade Receivables		36,49,232	-
(d) Cash & Cash Equivalents		6,54,860	1,84,750
(e) Short-Term Loans and Advance		-	-
(f) Other Current Assets		-	-
<b>TOTAL ASSETS</b>		<b>43,13,242</b>	<b>2,00,000</b>




**YELLOW SOUL FOODS PRIVATE LIMITED**

**PROVISIONAL UNAUDITED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2024**

PARTICULARS	Note No.	(Amount in Rupees)	
		31st March, 2024	31st March, 2023
<b>Revenue:</b>			
Revenue from Operation	7	31,05,121	-
Other Income	8	5,44,111	-
<b>Total Revenue</b>		<b>36,49,232</b>	<b>-</b>
<b>Expenses:</b>			
Cost of Materials consumed	9	25,00,538	-
Changes in Stock	10	-	-
Employee Benefits Expenses		-	-
Financial Costs		-	-
Depreciation and Amortization Expenses		-	-
Other Expenses	11	35,990	-
<b>Total Expenses</b>		<b>25,36,528</b>	<b>-</b>
<b>Profit Before Tax</b>		<b>11,12,704</b>	<b>-</b>
<b>Tax Expenses</b>			
1. Current Tax		2,85,000	-
2. Deferred Tax/-Reversal		-	-
<b>Profit / (Loss) for the period</b>		<b>8,27,704</b>	<b>-</b>
<b>Earning per Equity Share:</b>			
1. Basic		41.39	-
2. Diluted		41.39	-



**YELLOW SOUL FOODS PRIVATE LIMITED**

**NOTES TO THE PROVISIONAL FINANCIAL STATEMENTS**

PARTICULARS	(Amount in Rupees)	
	31st March, 2024	31st March, 2023
<b>1. SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
20000 Equity Shares* of Rs. 10/- each fully paid up having voting rights	2,00,000	2,00,000
	<b>2,00,000</b>	<b>2,00,000</b>
<b>ISSUED, SUBSCRIBED &amp; PAID UP IN CASH</b>		
20000 Equity Shares* of Rs. 10/- each fully paid up having voting rights	2,00,000	2,00,000
	<b>2,00,000</b>	<b>2,00,000</b>
<b>* Terms/Rights attached to Equity Shares</b>		
i) The Company has only one class of Equity Shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. In the unlikely event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, in proportion to the number of equity shares held by the shareholders.		
<b>a) Reconciliation of the Shares Outstanding at the beginning and end of the reporting period :</b>	<b>No. of Shares</b>	<b>No. of Shares</b>
i) Equity Shares* of Face Value of Rs 10/-		
Shares outstanding at the beginning of the period	20,000	20,000
Add : Issued during the year	-	-
Less : Forefeited during the year	-	-
<b>Shares outstanding at the end of the period</b>	<b>20,000</b>	<b>20,000</b>
<b>b) Shareholders holding more than 5% shares:</b>		
<b>Name of Shareholder</b>	<b>No. of Shares %</b>	<b>No. of Shares %</b>
Vashistha Nitinbhai Patel	5,000 (25%)	10,000 (50%)
Nitin Ramchandra Patel	5,000 (25%)	
Hemangini Nitin Patel	5,000 (25%)	
Amula Vashistha Patel	5,000 (25%)	
Parth Sureshbhai Patel	-	10,000 (50%)
<b>c) Shares held by promoters at the end of the year</b>		
<b>Name of Promoter</b>	<b>No. of Shares %</b>	<b>No. of Shares %</b>
Vashistha Nitinbhai Patel	5,000 (25%)	10,000 (50%)
Nitin Ramchandra Patel	5,000 (25%)	
Hemangini Nitin Patel	5,000 (25%)	
Amula Vashistha Patel	5,000 (25%)	
Parth Sureshbhai Patel	-	10,000 (50%)
<b>2. RESERVE &amp; SURPLUS</b>		
<b>Profit &amp; Surplus</b>		
Opening Balance	-	-
Addition during the year	8,27,704	-
	<b>8,27,704</b>	<b>-</b>



**YELLOW SOUL FOODS PRIVATE LIMITED**

**NOTES TO THE PROVISIONAL FINANCIAL STATEMENTS**

<b>3. NON CURRENT LIABILITIES</b>		
a) Long Term borrowings		
<u>Unsecured Loans</u>		
From Directors & their relatives	5,00,000	-
	<b>5,00,000</b>	-
b) Deferred Tax Liabilities (Net)	-	-
c) Other Long Term Liabilities	-	-
d) Long-Term Provisions	-	-
<b>Total</b>	<b>5,00,000</b>	-
<b>4. CURRENT LIABILITES</b>		
a) Short Term Borrowing	-	-
b) Trade Payables		
Due to Micro, Small and Medium Enterprises	-	-
Due to related parties	-	-
Others	25,00,538	-
	<b>25,00,538</b>	-
<i>Note :- Trade Payables ageing schedule as per Annexure</i>		
c) Other Current Liabilities		
TDS Payable	-	-
d) Short-Term Provisions		
Provision for Tax	2,85,000	-
Provision for Expenses & Statutory liabilities	-	-
	<b>2,85,000</b>	-
<b>5. NON CURRENT ASSETS</b>		
a) Non-Current Investments	-	-
b) Deffered Tax Assets (Net)	-	-
c) Long-Term Loans And Advances	-	-
d) Other Non Current Assets		
Preliminary Expenses	9,150	15,250
	<b>9,150</b>	<b>15,250</b>
<b>6. CURRENT ASSETS</b>		
Current Investments	-	-
Inventories (At lower of cost & realisable value)		
Raw Materials	-	-
Finished Goods	-	-
Trade Receivable[Unsecured,considered good]		
Due Over Six Months	-	-
Others	36,49,232	-
	<b>36,49,232</b>	-



**YELLOW SOUL FOODS PRIVATE LIMITED**

**NOTES TO THE PROVISIONAL FINANCIAL STATEMENTS**

<b>Cash &amp; Cash Equivalents</b>		
Cash on Hand	50,000	1,00,000
Balance in Current account with the Scheduled Bank	8,04,860	84,750
	<b>6,54,860</b>	<b>1,84,750</b>
<b>Short-Term Loans And Advances</b>		
	-	-
<i>&gt; Details of Loans to Promoters, Directors, KMPs and related parties</i>		
Type of Borrower	Loan % to Outstanding total	Loan % to Outstanding total
Promoters	-	-
Directors	-	-
KMPs	-	-
Related parties	-	-
<b>7. REVENUE FROM OPERATION</b>		
Sale of Goods	31,05,121	-
	<b>31,05,121</b>	-
<b>8. OTHER INCOME</b>		
Other trading settlement income	5,44,111	-
	<b>5,44,111</b>	-
<b>9. COST OF MATERIAL CONSUMED</b>		
Opening Stock	-	-
Add: Purchases of Raw Material	25,00,538	-
	25,00,538	-
Less : Sales during the year	-	-
Less : Closing Stock	-	-
	<b>25,00,538</b>	-
<b>10. CHANGES IN INVENTORIES</b> <b>(At lower of cost and net realisable value)</b>		
Closing Stock of Raw Materials	-	-
Closing Stock of Finished Goods	-	-
	[A]	-
Less : Opening Stock of Raw Materials	-	-
Less : Opening Stock of Finished	-	-
	[B]	-
Changes in Stock	[B-A]	-
<b>11. OTHER EXPENSES</b>		
Bank Charges	9,490	-
Legal and professional fee	12,900	-
Audit fees	7,500	-
Misc expense	6,100	-
	<b>35,990</b>	-



**INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBERS OF  
**YELLOW SOUL FOODS PRIVATE LIMITED**  
 Report on the Audit of the Financial Statements

**Opinion**

We have audited the accompanying financial statement of **YELLOW SOUL FOODS PRIVATE LIMITED** which comprise the Balance Sheet as at 31<sup>st</sup> March 2023 the statement of Profit and Loss and Statement of Cash flows for the year then ended, and a summary of the 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 explanations given to us the aforesaid financial statements give the information required by the companies Act 2013 ("the Act") in the manner so required and give true and fair view in conformity with accounting principles generally accepted in india of the Financial position ( state of affairs ) of the company as at 31<sup>st</sup> march 2023 ,and its financial performance 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) Prescribed 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 statement under the provision of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirement 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 the Standalone Financial Statements**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.



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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 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.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards (Ind As) specified under section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules 2015 as amended.

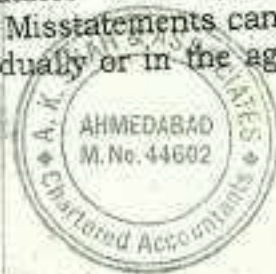
This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 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 responsible for overseeing the Company's financial reporting process.

### **Auditors' Responsibility**

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



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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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- 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 requirement 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



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issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "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 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 account.
  - (d) In our opinion, and the best of our information and explanation given to us, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant Rule.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 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) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act.
  - (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, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long - term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.



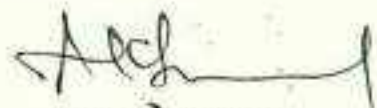
*[Handwritten Signature]*

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 person(s) or entity(ies), 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 by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like 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 person(s) or entity(ies), 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 by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Based on the audit procedures performed that have been 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 (i) and (ii) of Rule 11(e) contain any material misstatement.

vi. During the year company has neither paid any interim dividend nor proposed any final dividend

v. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.



(Ajit K. Shah)

Proprietor

Membership No. 44602

Place: Ahmedabad.  
Dated: 13.09.2023.

UDIN:-23044602BGWLOWE



**YELLOW SOUL FOODS PRIVATE LIMITED**  
AHMEDABAD

CIN NO: U15400GJ2022PTC132982

GF 3, Pariseema, Opp IFC Bhavan, Opp, Vaishali Complex, C.G. Road, Ellisbridge Ahmedabad -380006.  
Email:-yellowsoulfoods2022@gmail.com. Mob:-9909022018

**BALANCE SHEET AS AT 31<sup>st</sup> March 2023**

(Amount in Rs.)

Particulars	Notes	As at March 31,2023	As at March 31,2022
<b>I. EQUITY AND LIABILITIES</b>			
1 Shareholders' Funds	1	2,00,000	-
(a) Share Capital			
(b) Reserve & Surplus	2		
2 Share Application Money Pending Allotment			
3 Non Current Liabilities	3		
(a) Long-Term Borrowings			
(b) Deferred Tax Liabilities (Net)			
(c) Other Long term Liabilities			
(d) Long-Term Provisions			
4 Current Liabilities	4		
(a) Short-Term Borrowings			
(b) Trade Payables			
(c) Other Current Liabilities			
(d) Short-Term Provisions			
<b>TOTAL EQUITY AND LIABILITIES [Rs.]</b>		2,00,000	
<b>II. ASSETS</b>			
<b>Non-Current Assets</b>			
1 (a) Property, Plant and Equipment and Intangible Assets	5		
(i) Property, Plant and Equipment	6		
(ii) Intangible Assets			
(iii) Capital Work-In-Progress-Tangible			
(iv) Intangible Assets Under Development			
(b) Non Current Investment			
(c) Deferred Tax Assets (Net)			
(d) Long-Term Loans & Advances		16,250	
(e) Other Non-Current Assets			
2 Current Assets	7		
(a) Current Investments			
(b) Inventories			
(c) Trade Receivables			
(d) Cash & Cash Equivalents		1,84,750	
(e) Short-Term Loans and Advance			
(f) Other Current Assets			
<b>TOTAL ASSETS [Rs.]</b>		2,00,000	

The notes on account form integral part of the financial statements 1 to 7

As per our Report of even date

For A K SHAH AND ASSOCIATES

Chartered Accountants

Firm Reg No 109478W

Ajit Shah

Proprietor

Membership No. 044602

UDIN : 23044602BGWLOW605

Place : Ahmedabad

Date : 13.09.2023



For and on behalf of the Board of Directors of

**YELLOW SOUL FOODS PRIVATE LIMITED**

Vashietha N. Patel

DIRECTOR

DIN : 00953577

Place : Ahmedabad

Date : 13.09.2023

Parth S. Patel

DIRECTOR

DIN : 02259946



**YELLOW SOUL FOODS PRIVATE LIMITED**  
**AHMEDABAD**

CIN NO: U15400GJ2022PTC132962

GF 3, Pariseema, Opp IFC Bhavan, Opp, Vaishali Complex, C.G.Road, Ellisbridge Ahmedabad -380006.  
Email:-yellowsoulfoods2022@gmail.com. Mob:-9909022018

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2023**

Particulars	Notes	(Amount in Rs.)	
		For the year ended on March 31, 2023	For the year ended on March 31, 2022
<b>REVENUE:</b>			
I. Revenue from Operation	9	-	-
II. Other Income	10	-	-
III. <b>Total Income (I + II)</b>		-	-
<b>EXPENSES:</b>			
Cost of Materials consumed	11	-	-
Changes in Stock	12	-	-
Employee Benefits Expenses	13	-	-
Financial Costs	14	-	-
Depreciation and Amortization Expenses		-	-
Other Expenses	15	-	-
<b>Total Expenses [Rs.]</b>		-	-
V. Profit Before Tax (III - IV)		-	-
VI. Tax Expenses			
1. Current Tax		-	-
2. Deferred Tax/Reversal		-	-
VII. Profit / (Loss) for the period (V - VI)		-	-
VIII. Earning per Equity Share:			
1. Basic		-	-
2. Diluted		-	-

The notes on account form integral part of the financial statements 1 to 7

As per our Report of even date

For A K SHAH AND ASSOCIATES

Chartered Accountants

Firm Reg. No 109478W

*Ajit Shah*  
AJIT SHAH

Proprietor

Membership No. 044602

UDIN : 23044602BGWLOW6605

Place : Ahmedabad

Date : 13.09.2023



For and on behalf of the Board of Directors of

**YELLOW SOUL FOODS PRIVATE LIMITED**

*Vashista N. Patel*  
Vashista N. Patel  
DIRECTOR  
DIN : 00953577

*Parth S. Patel*  
Parth S. Patel  
DIRECTOR  
DIN : 02259946

Place : Ahmedabad  
Date : 13.09.2023



*Ajit Shah*

**YELLOW SOUL FOODS PRIVATE LIMITED**  
AHMEDABAD

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2023**

(Amount in Rs.)

	As at March 31, 2023	As at March 31, 2022
<b>2. SHARE CAPITAL</b>		
<b>AUTHORISED:</b>		
20000 Equity Shares* of Rs. 10/- each fully paid up having voting rights	2,00,000	-
	2,00,000	-
<b>ISSUED SUBSCRIBED &amp; PAID UP IN CASH</b>		
20000 Equity Shares* of Rs. 10/- each fully paid up having voting rights	2,00,000	-
	2,00,000	-
<b>* Terms/Rights attached to Equity Shares</b>		
i) The Company has only one class of Equity Shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. In the unlikely event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, in proportion to the number of equity shares held by the shareholders		
<b>a) Reconciliation of the Shares Outstanding at the beginning and end of the reporting period :</b>		
j) Equity Shares* of Face Value of Rs 10/-	No of Shares	No of Shares
Shares outstanding at the beginning of the period	-	-
Add : Issued during the year	20,000	-
Less : Forfeited during the year	-	-
Shares outstanding at the end of the period	20,000	-
<b>b) Shareholders holding more than 5% shares:</b>		
Name of Shareholder	No. of Shares %	No. of Shares %
Vashistha Nitinbhai Patel	10000 50	0
Parth Sureshbhai Patel	10000 50	0
<b>c) Shares held by promoters at the end of the year</b>		
Name of Promoter	No. of Shares %	No. of Shares %
Vashistha Nitinbhai Patel	10000 50	0
Parth Sureshbhai Patel	10000 50	0
<b>3. RESERVE &amp; SURPLUS</b>		
<b>Surplus</b>		
Opening Balance	-	-
Addition during the year	-	-
<b>4. NON CURRENT LIABILITIES</b>		
a) <b>Long Term borrowings</b>		
<b>Unsecured Loans</b>		
From Directors & their relatives	-	-
b) Deferred Tax Liabilities (Net)	-	-
c) Other Long Term Liabilities	-	-
d) Long-Term Provisions	-	-
<b>5. CURRENT LIABILITIES</b>		
a) <b>Short Term Borrowing</b>	-	-
b) <b>Trade Payables</b>		
Due to Micro, Small and Medium Enterprises	-	-
Due to related parties	-	-



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**YELLOW SOUL FOODS PRIVATE LIMITED**  
AHMEDABAD

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2023**

(Amount in Rs.)

Others			
Note :-Trade Payables ageing schedule as per Annexure			
<b>c) Other Current Liabilities</b>			
TDS Payable			
<b>d) Short-Term Provisions</b>			
Provision for Tax			
Provision for Expenses & Statutory liabilities			
<b>7. NON CURRENT ASSETS</b>			
<b>(b) Non-Current Investments</b>			
<b>(c) Deferred Tax Assets (Net)</b>			
<b>(d) Long-Term Loans And Advances</b>			
<b>(e) Other Non Current Assets</b>			
Preliminary Expenses	15,250		
	15,250		
<b>8. CURRENT ASSETS</b>			
<b>(a) Current Investments</b>			
<b>(b) Inventories (At lower of cost &amp; realisable value)</b>			
Raw Materials-MS Round/Wire rod Coil			
Finished Goods- Bright Bars(including scrap)			
<b>(c) Trade Receivable(Unsecured considered good)</b>			
Due Over Six Months			
Others			
Note :Trade Receivables ageing schedule as per Annexure			
<b>(d) Cash &amp; Cash Equivalents</b>			
Cash on Hand	1,00,000		
Balance in Current account with the Scheduled Bank	84,750		
	1,84,750		
<b>(e) Short-Term Loans And Advances(Unsecured considered Good)</b>			
India Electronics and Semiconductor Association			
Vasani Stationers			
> Details of Loans to Promoters, Directors, KMPs and related parties			
Type of Borrower	Loan % to Outstanding total	Loan % to Outstanding total	
Promoters	0	0	
Directors	0	0	
KMPs	0	0	
Related parties	0	0	



*[Handwritten Signature]*





**YELLOW SOUL FOODS PRIVATE LIMITED**  
AHMEDABAD

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2023**

(Amount in Rs.)

<b>9. REVENUE FROM OPERATION</b>		
Sale of Goods		
<b>10. OTHER INCOME</b>		
<b>11. COST OF MATERIAL CONSUMED</b>		
Opening Stock		
Add: Purchases of Raw Material		
Less : Sales during the year		
Less : Closing Stock		
<b>NOTE "12" CHANGES IN INVENTORIES</b> <b>(At lower of cost and net realisable value)</b>		
Closing Stock of Raw Materials		
Closing Stock of Finished Goods		
Less : Opening Stock of Raw Materials	[A]	
Less : Opening Stock of Finished		
Changes In Stock[B-A]	[B]	
<b>13. EMPLOYEE BENEFIT EXPENSES</b>		
<b>14. FINANCIAL COSTS</b>		
<b>15. OTHER EXPENSES</b>		
Bank Charges		
Computer exps		
Electricity exps		
Internet exps		
Legal and professional fee		
Mobile bill exps		
Housekeeping and office cleaning exps		
Office exps		
Printing and stationery exps		
Professional Tax		
Recruitment exps		
Rent exps		
Repairs and maintainance		
Seminar Hall rent		
Software Subscription exps		
Web subscription exps		



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**SHRI BHAGWATI  
FLOUR MILLS  
PRIVATE LIMITED**

Manufacturers:

"GAAY", "BHAGWATI", "Uttam" "BESAN"

"UTTAM" Brand

MAIDA, SOJI, ATTA, BRAN

**Mills & Office Address**

B/h. Telephone Exchange,

G.I.D.C., Naroda,

Ahmedabad-382 230.

E-mail : gaaybrand@gmail.com

GSTIN:24AAACB8907E1ZZ

CIN No. : U15310GJ1992PTCO17267

FSSAI BESAN UNIT : 10713026000191

FSSAI MAIDA UNIT : 10713026000189

Phone : 22842651/22842653

Account : 22842654

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Gram : "COW BRAND"

Subject to Ahmedabad Jurisdiction

**REPORT ADOPTED BY THE BOARD OF DIRECTORS OF SHRI BHAGWATI FLOUR MILLS PRIVATE LIMITED ("COMPANY") EXPLAINING THE EFFECT OF THE SCHEME ON SHAREHOLDERS (PROMOTER AND NON-PROMOTER SHAREHOLDERS) AND KEY MANAGERIAL PERSONNEL IN ACCORDANCE WITH SECTION 232(2)(C) OF THE COMPANIES ACT, 2013, AT ITS MEETING HELD ON 26<sup>TH</sup> APRIL 2024**

1. The Board of Directors ("**Board**") of the Company at their meeting held on **26<sup>th</sup> April 2024** approved the draft of the proposed Composite Scheme of Arrangement ("**Scheme**") consisting of (i) amalgamation of Shri Bhagwati Flour Mills Private Limited ("**Company**" or "**Transferor Company**" or "**SBFM**") with Shree Bhagwati Flour and Foods Private Limited ("**Transferee Company**" or "**Demerged Company**" or "**SBFF**") in consideration for issuance of shares by the SBFF to the shareholders of the Company; and (ii) upon such amalgamation, demerger of Real Estate Business Undertaking from SBFF into Yellow Soul Foods Private Limited ("**Resultant Company**" or "**YSF**") in consideration for issuance of shares by YSF to the shareholders of SBFF, pursuant to provisions of Sections 230-232 of the Companies Act, 2013 and other applicable provisions and rules framed thereunder.
2. As per Section 232(2)(c) of the Companies Act, 2013, a report ("**Report**") is required to be adopted by the directors explaining effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders of the Company laying out in particular the share exchange ratio, specifying any special valuation difficulties.
3. This Report has been adopted by the Board of SBFM in connection with the said Scheme.
4. The Scheme is subject to the approval of shareholders and creditors of SBFM, SBFF and YSF (as directed by the National Company Law Tribunal, Ahmedabad Bench ("**NCLT**") and the order of NCLT approving the Scheme.
5. Having regard to the applicability of the aforesaid provision, the Scheme and the following documents are placed before the Board:
  - i. Draft Composite Scheme of Arrangement
  - ii. the Valuation Report dated 26<sup>th</sup> April 2024 recommending the share exchange ratio on the Scheme, provided by RBSA Valuation Advisors LLP, a Registered Valuer describing, inter-alia, the methodology adopted by them in arriving at the fair value and the share exchange ratio for the amalgamation of SBFM into SBFF and demerger of Real Estate Business Undertaking of SBFF into YSF; and
  - iii. Statutory Auditors' Certificate dated 26th April 2024 issued by M/s. M Hawa & Associates, the Statutory Auditors of the Company as required under Section 232(3) of the Companies Act, 2013 certifying that the accounting treatment in the draft Scheme is in compliance with

applicable Accounting Standards specified by the Central Government in Section 133 of the Companies Act, 2013 and applicable rules thereunder.

## 6. Rationale of the Scheme

The proposed Scheme deals with amalgamation of the Transferor Company with the Transferee Company and upon such amalgamation, demerger of Real Estate Business Undertaking from the Demerged Company into the Resulting Company. The proposed Scheme would be in the best interest of the Companies and their respective shareholders, employees, creditors, lenders and other stakeholders as the proposed reorganisation pursuant to this Scheme is expected, inter alia, to yield advantages as set out below:

- a) Amalgamation of the Transferor Company and the Transferee Company:
  - Both companies, viz. the Transferor Company and the Transferee Company are engaged in similar line of business and are subject to same industry risk. Hence consolidation of all operating businesses under a single entity will simplify the existing group structure;
  - Focused operational efforts would assist in realizing synergies in terms of compliance, governance, administration and costs;
  - Combined business will experience and derive synergies in the operation, administration, supply chain management, resource planning, productivity and optimal utilization of existing resources;
  - Greater efficiency in cash management and access to cash flow generated by the combined business which can be deployed more efficiently to maximize shareholder value;
  - The Transferee Company will gain the benefit of improved organizational capability and leadership which will help it to compete successfully in the industry.
  
- b) Demerger and vesting of the Real Estate Business Undertaking, from the Demerged Company to the Resulting Company:
  - Enable segregation of each business segment so as to facilitate the operations of carved out business with greater focus and tailor-made strategies for operations and growth;
  - Enable the attribution of appropriate risk and valuation based on the risk-return profile of business; and
  - Provide greater visibility and better opportunities for individual business to seek potential investors and unlock value for all stakeholders.

## 7. Effect of Scheme on stakeholders

S. No	Category of Stakeholder	Effect of the Scheme on Stakeholders
(i)	Shareholders	<p>The Company only has equity shareholders and does not have any preference shareholders.</p> <p>Upon the coming into effect of the Scheme and in consideration of the transfer and vesting of the Undertaking of the Transferor Company in the Transferee Company in terms of the Scheme, the Transferee Company shall, without any further application, act, instrument or deed, issue and allot to each member of the Transferor Company, whose name is registered in the Register of Members</p>

		<p>of the Transferor Company on the Effective Date or his/her/its legal heirs, executors or successors as the case may be, shares in the Transferee Company, in the following ratio:</p> <p><i>133 (One Hundred and Thirty-Three) fully paid-up Equity Shares of face Value of Rs. 10 (Ten) each of Transferee Company for every 1,000 (One Thousand) fully paid-up Equity Shares of face Value Rs. 10 (Ten) each held in Transferor Company.</i></p> <p>To extent of allotment of shares to shareholders of SBFM, shareholding of existing shareholders of SBFF shall remain diluted to that extent.</p> <p>The shares allotted to the shareholders of SBFM by the SBFF as set out above shall rank <i>pari passu</i> in all respects with the then existing equity shares of SBFF.</p> <p>The Scheme is expected to have several benefits for the Company, as indicated in the rationale to the Scheme, as set out above and is expected to be in the best interests of the shareholders of the Company.</p>
(ii)	Promoters & non-promoter shareholders	<p>Like all the shareholders of the Company, the promoters of the SBFM shall be allotted shares of SBFF in accordance with the Share Exchange Ratio set out in the Scheme.</p> <p>Please refer to point (i) above for details regarding effect on the shareholders.</p> <p>The promoters of the Company shall continue to remain the promoters, even after the effectiveness of the Scheme.</p>
(iii)	Key Managerial Personnel ("KMPs")	<p>Upon the Scheme becoming effective, Transferor Company shall stand dissolved without being wound up and accordingly, all the Directors of SBFM will cease to be its Directors.</p> <p>The effect of the Scheme, on the Directors of SBFF, SBFM and YSF in their capacity as equity shareholders of SBFF, SBFM and YSF, being party to the Scheme, is the same as in the case of other shareholders. Other than such allotment of shares, the KMPs are not affected pursuant to the Scheme.</p> <p>Please refer to point (i) above for details regarding effect on the shareholders.</p>
(iv)	Employees	<p>As per clause 11 of the Scheme, upon the effectiveness of Section I of Part B of the Scheme, all the employees of SBFM as on the Effective Date shall become employees of SBFF, without any interruption in service, on terms and conditions no less favourable than those on which they are engaged by SBFM.</p> <p>The Scheme does not have any adverse impact on the employees of SBFM.</p>

(v)	Creditors	<p>Under the Scheme, no arrangement is sought to be entered into between the Company and its creditors. The interest of the creditors of the Company shall not be impacted in any manner.</p> <p>As per Clause 4.2(e) of the Scheme, all the creditors of SBFM shall become creditors of SBFF.</p> <p>The Scheme does not involve any compromise or arrangement with the creditors of SBFM. The rights of the creditors of SBFM shall not be impacted pursuant to the Scheme and there will be no reduction in their claims on account of the Scheme. The creditors of SBFM would not be prejudiced in any manner as a result of the Scheme being sanctioned.</p> <p>The Scheme would not in any way adversely affect the ordinary operations of SBFF or the ability of SBFF to honor its commitments or pay the debts in ordinary course of business.</p>
(vi)	Debenture holders and Debenture trustees	SBFM does not have any outstanding debentures and accordingly, does not have any debenture trustee(s).
(vii)	Depositors and Deposit Trustees	SBFM has not accepted any public deposits and accordingly, does not have any deposit trustee.

## 8. Valuation

The Valuation Report dated 26<sup>th</sup> April 2024, issued by M/s RBSA Valuation Advisors LLP, Registered Valuer, describing, inter-alia, the methodology adopted by them in arriving at the fair value and the share exchange ratio for the amalgamation of SBFM into SBFF and demerger of Real Estate Business Undertaking of SBFF into YSF.

Considering the nature of the transactions & parties involved the Scheme, the Valuer has based its valuation on Discounted Cash flow method and Comparable Companies multiple methods, for valuation of SBFF and SBFM, by assigning appropriate weightages. The Valuer has based its valuation on Adjusted NAV method for valuing YSF as it had marginal business operations in the past.

The Share Exchange Ratio has been arrived at on the basis of a relative equity valuation of the businesses based on the methodologies explained in the Valuation Report and various qualitative factors relevant to each business.

RBSA Valuation Advisors LLP has not expressed any difficulty while carrying out the valuation.

## 9. Adoption of the Report by the Directors

The Directors of the Company have adopted this Report after noting and considering the information set forth in this Report. The Board is entitled to make relevant modifications to this Report, if required, and such modifications or amendments shall be deemed to form part of this Report.

For, Shri Bhagwati Flour Mills Private Limited



Mr. Vashistha Nitin Patel  
Director  
DIN: 00953577



Date: 26<sup>th</sup> April, 2024  
Place: Ahmedabad

# SHREE BHAGWATI FLOUR & FOODS PRIVATE LIMITED



( A Government Recognized Star Export House )  
 FSSAI 22000 Certified Company  
 CIN : U15319GJ1994PTC021888

## REPORT ADOPTED BY THE BOARD OF DIRECTORS OF SHREE BHAGWATI FLOUR AND FOODS PRIVATE LIMITED ("COMPANY") EXPLAINING THE EFFECT OF THE SCHEME ON SHAREHOLDERS (PROMOTER AND NON-PROMOTER SHAREHOLDERS) AND KEY MANAGERIAL PERSONNEL IN ACCORDANCE WITH SECTION 232(2)(C) OF THE COMPANIES ACT, 2013, AT ITS MEETING HELD ON 26<sup>TH</sup> APRIL 2024

1. The Board of Directors ("Board") of the Company at their meeting held on 26<sup>TH</sup> April 2024 approved the draft of the proposed Composite Scheme of Arrangement ("Scheme") consisting of (i) amalgamation of Shri Bhagwati Flour Mills Private Limited ("Transferor Company" or "SBFM") with Shree Bhagwati Flour and Foods Private Limited ("Company" or "Transferee Company" or "Demerged Company" or "SBFF") in consideration for issuance of shares by the SBFF to the shareholders of the Company; and (ii) upon such amalgamation, demerger of Real Estate Business Undertaking from SBFF into Yellow Soul Foods Private Limited ("Resultant Company" or "YSF") in consideration for issuance of shares by YSF to the shareholders of SBFF, pursuant to provisions of Sections 230-232 of the Companies Act, 2013 and other applicable provisions and rules framed thereunder.
2. As per Section 232(2)(c) of the Companies Act, 2013, a report ("Report") is required to be adopted by the directors explaining effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders of the Company laying out in particular the share exchange ratio, specifying any special valuation difficulties.
3. This Report has been adopted by the Board of SBFF in connection with the said Scheme.
4. The Scheme is subject to the approval of shareholders and creditors of SBFM, SBFF and YSF (as directed by the National Company Law Tribunal, Ahmedabad Bench ("NCLT") and the order of NCLT approving the Scheme.
5. Having regard to the applicability of the aforesaid provision, the Scheme and the following documents are placed before the Board:
  - i. Draft Composite Scheme of Arrangement
  - ii. the Valuation Report dated 26th April 2024 recommending the share exchange ratio on the Scheme, provided by RBSA Valuation Advisors LLP, a Registered Valuer describing, inter-alia, the methodology adopted by them in arriving at the fair value and the share exchange ratio for the amalgamation of SBFM into SBFF and demerger of Real Estate Business Undertaking of SBFF into YSF; and
  - iii. Statutory Auditors' Certificate dated 26th April 2024 issued by M/s. M Hawa & Associates, the Statutory Auditors of the Company as required under Section 232(3) of the Companies Act, 2013 certifying that the accounting treatment in the draft Scheme is in compliance with applicable Accounting Standards specified by the Central Government in Section 133 of the Companies Act, 2013 and applicable rules thereunder.

## 6. Rationale of the Scheme

The proposed scheme deals with amalgamation of the Transferor Company with the Transferee Company and upon such amalgamation, demerger of Real Estate Business Undertaking from the Demerged Company into the Resulting Company. The proposed Scheme would be in the best interest of the Companies and their respective shareholders, employees, creditors, lenders and other stakeholders as the proposed reorganisation pursuant to this Scheme is expected, inter alia, to yield advantages as set out below:

- a) Amalgamation of the Transferor Company and the Transferee Company:
- Both companies, viz. the Transferor Company and the Transferee Company are engaged in similar line of business and are subject to same industry risk. Hence consolidation of all operating businesses under a single entity will simplify the existing group structure;
  - Focused operational efforts would assist in realizing synergies in terms of compliance, governance, administration and costs;
  - Combined business will experience and derive synergies in the operation, administration, supply chain management, resource planning, productivity and optimal utilization of existing resources;
  - Greater efficiency in cash management and access to cash flow generated by the combined business which can be deployed more efficiently to maximize shareholder value;
  - The Transferee Company will gain the benefit of improved organizational capability and leadership which will help it to compete successfully in the industry.
- b) Demerger and vesting of the Real Estate Business Undertaking, from the Demerged Company to the Resulting Company:
- Enable segregation of each business segment so as to facilitate the operations of carved out business with greater focus and tailormade strategies for operations and growth;
  - Enable the attribution of appropriate risk and valuation based on the risk-return profile of business; and
  - Provide greater visibility and better opportunities for individual business to seek potential investors and unlock value for all stakeholders.

## 7. Effect of Scheme on stakeholders

S. No	Category of Stakeholder	Effect of the Scheme on Stakeholders
(i)	Shareholders	<p>The Company only has equity shareholders and does not have any preference shareholders.</p> <p>Upon the coming into effect of the Scheme and in consideration of the transfer and vesting of the Undertaking of the Transferor Company in the Transferee Company in terms of the Scheme, the Transferee Company shall, without any further application, act, instrument or deed, issue and allot to each member of the Transferor Company, whose name is registered in the Register of Members of the Transferor Company on the Effective Date or his/her/its legal heirs, executors</p>



		<p>or successors as the case may be, shares in the Transferee Company, in the following ratio:</p> <p><i>133 (One Hundred and Thirty-Three) fully paid-up Equity Shares of face Value of Rs. 10 (Ten) each of Transferee Company for every 1,000 (One Thousand) fully paid-up Equity Shares of face Value Rs. 10 (Ten) each held in Transferor Company.</i></p> <p>To extent of allotment of shares to shareholders of SBFM, shareholding of existing shareholders of SBFF shall remain diluted to that extent.</p> <p>The shares allotted to the shareholders of SBFM by the SBFF as set out above shall rank <i>pari passu</i> in all respects with the then existing equity shares of SBFF.</p> <p>Upon the coming into effect of the Scheme and in consideration of the transfer and vesting of the Real Estate Business Undertaking of the Demerged Company in the Resulting Company in terms of the Scheme, the Resulting Company shall, without any further application, act, instrument or deed, issue and allot to each member of the Demerged Company, whose name is registered in the Register of Members of the Demerged Company on the Effective Date or his/her/its legal heirs, executors or successors as the case may be, shares in the Resulting Company, in the following ratio:</p> <p><i>5,512 (five Thousand Five Hundred and twelve) fully paid-up Equity Shares of face Value of Rs. 10 (Ten) each of Resulting Company for every 1,000 (One Thousand) fully paid-up Equity Shares of face Value Rs. 10 (Ten) each held in Demerged Company.</i></p> <p>To extent of allotment of shares to shareholders of SBFF, shareholding of existing shareholders of YSF shall remain diluted to that extent.</p> <p>The shares allotted to the shareholders of SBFF by YSF as set out above shall rank <i>pari passu</i> in all respects with the then existing equity shares of YSF.</p> <p>The Scheme is expected to have several benefits for the Company, as indicated in the rationale to the Scheme, as set out above and is expected to be in the best interests of the shareholders of the Company.</p>
(ii)	Promoters & non-promoter shareholders	<p>Like all the shareholders of the Company, the promoters of the SBFM shall be allotted shares of SBFF in accordance with the Share Exchange Ratio set out in the Scheme.</p> <p>Like all the shareholders of the Company, the promoters of the SBFF shall be allotted shares of YSF in accordance with the Share Exchange Ratio set out in the Scheme.</p> <p>Please refer to point (i) above for details regarding effect on the shareholders.</p>

		<p>The promoters of the SBFM &amp; SBFF shall continue to remain the promoters, even after the effectiveness of the Scheme.</p>
(iii)	Key Managerial Personnel ("KMPs")	<p>The Scheme will have no effect on the office of the existing Directors of SBFF. Further, no change in the Board of Directors of SBFF is envisaged on account of the Scheme. It is clarified that, the composition of the Board of Directors of SBFF may change by appointments, retirements or resignations in accordance with the provisions of the Act and Memorandum and Articles of Association of SBFF.</p> <p>Upon the Scheme becoming effective, Transferor Company shall stand dissolved without being wound up and accordingly, all the Directors of SBFM will cease to be its Directors.</p> <p>The effect of the Scheme, on the Directors of SBFF, SBFM and YSF in their capacity as equity shareholders of SBFF, SBFM and YSF, being party to the Scheme, is the same as in the case of other shareholders. Other than such allotment of shares, the KMPs are not affected pursuant to the Scheme.</p> <p>Please refer to point (i) above for details regarding effect on the shareholders.</p>
(iv)	Employees	<p>As per clause 11 of the Scheme, upon the effectiveness of Section I of Part B of the Scheme, all the employees of SBFM as on the Effective Date shall become employees of SBFF, without any interruption in service, on terms and conditions no less favourable than those on which they are engaged by SBFM.</p> <p>As per clause 24 of the Scheme, upon effectiveness of Section II of Part B of the Scheme, all the employees forming part of the Real Estate Business Undertaking of SBFF, shall become employees of YSF, on the terms and conditions not less favourable than those on which they are engaged by SBFF.</p> <p>The Scheme does not have any adverse impact on the employees of SBFM, SBFF &amp; YSF.</p>
(v)	Creditors	<p>As per Clause 4.2(e) of the Scheme, all the creditors of SBFM shall become creditors of SBFF.</p> <p>As per clause 17.2(e) of the Scheme, all the creditors forming part of the Real Estate Business Undertaking of SBFF shall become creditors of YSF.</p> <p>Under the Scheme, no arrangement is sought to be entered into between the Company and its creditors. The interest of the creditors of the Company shall not be impacted in any manner.</p> <p>The Scheme does not involve any compromise or arrangement with the creditors of SBFF. The rights of the creditors of SBFF shall not be impacted pursuant to the Scheme and there will be no reduction in their claims on account of the Scheme. The creditors of SBFF would not be prejudiced in any manner as a result of the Scheme being sanctioned.</p>

		The Scheme would not in any way adversely affect the ordinary operations of the Company or the ability of the Company to honor its commitments or pay the debts in ordinary course of business.
(vi)	Debenture holders and Debenture trustees	SBFF does not have any outstanding debentures and accordingly, does not have any debenture trustee(s).
(vii)	Depositors and Deposit Trustees	SBFF has not accepted any public deposits and accordingly, does not have any deposit trustee.

## 8. Valuation

The Valuation Report dated 26<sup>th</sup> April 2024, issued by M/s RBSA Valuation Advisors LLP, Registered Valuer, describing, inter-alia, the methodology adopted by them in arriving at the fair value and the share exchange ratio for the amalgamation of SBFM into SBFF and demerger of Real Estate Business Undertaking of SBFF into YSF.

Considering the nature of the transactions & parties involved the Scheme, the Valuer has based its valuation on Discounted Cash flow method and Comparable Companies multiple methods, for valuation of SBFF and SBFM, by assigning appropriate weightages. The Valuer has based its valuation on Adjusted NAV method for valuing YSF as it had marginal business operations in the past.

The Share Exchange Ratio has been arrived at on the basis of a relative equity valuation of the businesses based on the methodologies explained in the Valuation Report and various qualitative factors relevant to each business.

RBSA Valuation Advisors LLP has not expressed any difficulty while carrying out the valuation.

## 9. Adoption of the Report by the Directors

The Directors of the Company have adopted this Report after noting and considering the information set forth in this Report. The Board is entitled to make relevant modifications to this Report, if required, and such modifications or amendments shall be deemed to form part of this Report.

For, Shree Bhagwati Flour and Foods Private Limited



Mr. Vashistha Nitin Patel  
Director  
DIN: 00953577



Date: 26<sup>th</sup> April, 2024  
Place: Ahmedabad

**YELLOW SOUL FOODS PRIVATE LIMITED**

CIN NO. U15400GJ2022PTC132962

REGI. OFFICE ADDRESS: GF 3, PARISEEMA, OPP IFC BHAVAN, OPP VAISHALI COMPLEX, CG ROAD,  
ELLISBRIDGE AHMEDABAD-380006

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF YELLOW SOUL FOODS PRIVATE LIMITED ("COMPANY") EXPLAINING THE EFFECT OF THE SCHEME ON SHAREHOLDERS (PROMOTER AND NON-PROMOTER SHAREHOLDERS) AND KEY MANAGERIAL PERSONNEL IN ACCORDANCE WITH SECTION 232(2)(C) OF THE COMPANIES ACT, 2013, AT ITS MEETING HELD ON 26<sup>TH</sup> APRIL 2024

1. The Board of Directors ("Board") of the Company at their meeting held on 26<sup>th</sup> April 2024 approved the draft of the proposed Composite Scheme of Arrangement ("Scheme") consisting of (i) amalgamation of Shri Bhagwati Flour Mills Private Limited ("Transferor Company" or "SBFM") with and into Shree Bhagwati Flour and Foods Private Limited ("Transferee Company" or "Demerged Company" or "SBFF") in consideration for issuance of shares by the SBFF to the shareholders of the Company; and (ii) upon such amalgamation, demerger of Real Estate Business Undertaking from SBFF into Yellow Soul Foods Private Limited ("Company" or "Resultant Company" or "YSF") in consideration for issuance of shares by YSF to the shareholders of SBFF, pursuant to provisions of Sections 230-232 of the Companies Act, 2013 and other applicable provisions and rules framed thereunder.
2. As per Section 232(2)(c) of the Companies Act, 2013, a report ("Report") is required to be adopted by the directors explaining effect of the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders of the Company laying out in particular the share exchange ratio, specifying any special valuation difficulties.
3. This Report has been adopted by the Board of YSF in connection with the said Scheme.
4. The Scheme is subject to the approval of shareholders and creditors of SBFM, SBFF and YSF (as directed by the National Company Law Tribunal, Ahmedabad Bench ("NCLT") and the order of NCLT approving the Scheme.
5. Having regard to the applicability of the aforesaid provision, the Scheme and the following documents are placed before the Board:
  - i. Draft Composite Scheme of Arrangement
  - ii. the Valuation Report dated 26th April 2024 recommending the share exchange ratio on the Scheme, provided by RBSA Valuation Advisors LLP, a Registered Valuer describing, inter-alia, the methodology adopted by them in arriving at the fair value and the share exchange ratio for the amalgamation of SBFM into SBFF and demerger of Real Estate Business Undertaking of SBFF into YSF; and
  - iii. Statutory Auditors' Certificate dated 26th April 2024 issued by M/s. A.K. Shah & Associates, the statutory auditors of the Company as required under Section 232(3) of the Companies Act, 2013 certifying that the accounting treatment in the draft Scheme is in compliance with applicable Accounting Standards specified by the Central Government in Section 133 of the Companies Act, 2013 and applicable rules thereunder.

# **YELLOW SOUL FOODS PRIVATE LIMITED**

**CIN NO. U15400GJ2022PTC132962**

**REGI. OFFICE ADDRESS: GF 3, PARISEEMA, OPP IFC BHAVAN, OPP VAISHALI COMPLEX, CG ROAD, ELLISBRIDGE AHMEDABAD-380006**

## **6. Rationale of the Scheme**

The proposed scheme deals with amalgamation of the Transferor Company with the Transferee Company and upon such amalgamation, demerger of Real Estate Business Undertaking from the Demerged Company into the Resulting Company. The proposed Scheme would be in the best interest of the Companies and their respective shareholders, employees, creditors, lenders and other stakeholders as the proposed reorganisation pursuant to this Scheme is expected, inter alia, to yield advantages as set out below:

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  - Focused operational efforts would assist in realizing synergies in terms of compliance, governance, administration and costs;
  - Combined business will experience and derive synergies in the operation, administration, supply chain management, resource planning, productivity and optimal utilization of existing resources;
  - Greater efficiency in cash management and access to cash flow generated by the combined business which can be deployed more efficiently to maximize shareholder value;
  - The Transferee Company will gain the benefit of improved organizational capability and leadership which will help it to compete successfully in the industry.
- b) Demerger and vesting of the Real Estate Business Undertaking, from the Demerged Company to the Resulting Company:
- Enable segregation of each business segment so as to facilitate the operations of carved out business with greater focus and tailor-made strategies for operations and growth;
  - Enable the attribution of appropriate risk and valuation based on the risk-return profile of business; and
  - Provide greater visibility and better opportunities for individual business to seek potential investors and unlock value for all stakeholders.

## **7. Effect of Scheme on stakeholders**

S. No	Category of Stakeholder	Effect of the Scheme on Stakeholders
(i)	Shareholders	<p>The Company only has equity shareholders and does not have any preference shareholders.</p> <p>Upon the coming into effect of the Scheme and in consideration of the transfer and vesting of the Real Estate Business Undertaking of the Demerged Company in the Resulting Company in terms of the Scheme, the Resulting Company shall, without any further application, act, instrument or deed, issue and allot to each</p>

# **YELLOW SOUL FOODS PRIVATE LIMITED**

**CIN NO. U15400GJ2022PTC132962**

**REGI. OFFICE ADDRESS: GF 3, PARISEEMA, OPP IFC BHAVAN, OPP VAISHALI COMPLEX, CG ROAD, ELLISBRIDGE AHMEDABAD-380006**

		<p>member of the Demerged Company, whose name is registered in the Register of Members of the Demerged Company on the Effective Date or his/her/its legal heirs, executors or successors as the case may be, shares in the Resulting Company, in the following ratio:</p> <p><i>5,512 five Thousand Five Hundred and twelve) fully paid-up Equity Shares of face Value of Rs. 10 (Ten) each of Resulting Company for every 1,000 (One Thousand) fully paid-up Equity Shares efface Value Rs. 10 (Ten) each held in Demerged Company.</i></p> <p>To extent of allotment of shares to shareholders of SBFF, shareholding of existing shareholders of YSF shall remain diluted to that extent.</p> <p>The shares allotted to the shareholders of SBFF by the YSF as set out above shall rank <i>pari passu</i> in all respects with the then existing equity shares of YSF.</p> <p>The Scheme is expected to have several benefits for the Company, as indicated in the rationale to the Scheme, as set out above and is expected to be in the best interests of the shareholders of the Company.</p>
(ii)	Promoters & non-promoter shareholders	<p>Like all the shareholders of the Company, the promoters of the SBFF shall be allotted shares of YSF in accordance with the Share Entitlement Ratio set out in the Scheme.</p> <p>Please refer to point (i) above for details regarding effect on the shareholders.</p> <p>The promoters of the Company shall continue to remain the promoters, even after the effectiveness of the Scheme.</p>
(iii)	Key Managerial Personnel ("KMPs")	<p>The Scheme will have no effect on the office of the existing Directors of YSF. Further, no change in the Board of Directors of YSF is envisaged on account of the Scheme. It is clarified that, the composition of the Board of Directors of YSF may change by appointments, retirements or resignations in accordance with the provisions of the Act and Memorandum and Articles of Association of YSF.</p> <p>The effect of the Scheme, on the Directors of SBFF, SBFM and YSF in their capacity as equity shareholders of SBFF, SBFM and YSF, being party to the Scheme, is the same as in the case of other shareholders. Other than such allotment of shares, the KMPs are not affected pursuant to the Scheme.</p> <p>Please refer to point (i) above for details regarding effect on the shareholders.</p>
(iv)	Employees	<p>As per clause 24 of the Scheme, upon effectiveness of Section II of Part B of the Scheme, all the employees forming part of the Real Estate Business Undertaking</p>

# **YELLOW SOUL FOODS PRIVATE LIMITED**

**CIN NO. U15400GJ2022PTC132962**

**REGI. OFFICE ADDRESS: GF 3, PARISEEMA, OPP IFC BHAVAN, OPP VAISHALI COMPLEX, CG ROAD, ELLISBRIDGE AHMEDABAD-380006**

		<p>of SBFF, shall become employees of YSF, on the terms and conditions not less favourable than those on which they are engaged by SBFF.</p> <p>The Scheme does not have any adverse impact on the employees of YSF.</p>
(v)	Creditors	<p>As per clause 17.2(e) of the Scheme, all the creditors forming part of the Real Estate Business Undertaking of SBFF shall become creditors of YSF.</p> <p>Under the Scheme, no arrangement is sought to be entered into between the Company and its creditors. The interest of the creditors of the Company shall not be impacted in any manner.</p> <p>The Scheme does not involve any compromise or arrangement with the creditors of YSF. The rights of the creditors of YSF shall not be impacted pursuant to the Scheme and there will be no reduction in their claims on account of the Scheme. The creditors of YSF would not be prejudiced in any manner as a result of the Scheme being sanctioned.</p> <p>The Scheme would not in any way adversely affect the ordinary operations of the Company or the ability of the Company to honor its commitments or pay the debts in ordinary course of business.</p>
(vi)	Debenture holders and Debenture trustees	<p>YSF does not have any outstanding debentures and accordingly, does not have any debenture trustee(s).</p>
(vii)	Depositors and Deposit Trustees	<p>YSF has not accepted any public deposits and accordingly, does not have any deposit trustee.</p>

## **8. Valuation**

The Valuation Report dated 26<sup>th</sup> April 2024, issued by M/s RBSA Valuation Advisors LLP, Registered Valuer, describing, inter-alia, the methodology adopted by them in arriving at the fair value and the share exchange ratio for the amalgamation of SBFM into SBFF and demerger of Real Estate Business Undertaking of SBFF into YSF.

Considering the nature of the transactions & parties involved the Scheme, the Valuer has based its valuation on Discounted Cash flow method and Comparable Companies multiple methods, for valuation of SBFF and SBFM, by assigning appropriate weightages. The Valuer has based its valuation on Adjusted NAV method for valuing YSF as it had marginal business operations in the past.

The Share Exchange Ratio has been arrived at on the basis of a relative equity valuation of the businesses based on the methodologies explained in the Valuation Report and various qualitative factors relevant to each business.

# **YELLOW SOUL FOODS PRIVATE LIMITED**

**CIN NO. U15400GJ2022PTC132962**

**REGI. OFFICE ADDRESS: GF 3, PARISEEMA, OPP IFC BHAVAN, OPP VAISHALI COMPLEX, CG ROAD,  
ELLISBRIDGE AHMEDABAD-380006**

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RBSA Valuation Advisors LLP has not expressed any difficulty while carrying out the valuation.

## **9. Adoption of the Report by the Directors**

The directors of the Company have adopted this Report after noting and considering the information set forth in this Report. The Board is entitled to make relevant modifications to this Report, if required, and such modifications or amendments shall be deemed to form part of this Report.

For, Yellow Soul Foods Private Limited



**Mr. Vashistha Nitin Patel**  
Director  
DIN: 00953577



Date: 26<sup>th</sup> April, 2024  
Place: Ahmedabad



**RBSA Valuation Advisors LLP**VALUATION | INVESTMENT BANKING | RESTRUCTURING | ADVISORY SERVICES  
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Report Ref No: RVA2425AMDREP002

Date: 26/04/2024

The Board of Directors,  
Shree Bhagwati Flour & Foods Private Limited  
Survey No 430, Village Moraiya,  
Sarkhej-Bavla Highway, Changodar,  
Ahmedabad, Gujarat – 382213

The Board of Directors,  
Shri Bhagwati Flour Mills Private Limited  
Siddheshwari Estate,  
Near AMTS Bus Stand,  
Naroda, Ahmedabad, Gujarat – 382325

The Board of Directors,  
Yellow Soul Foods Private Limited  
GF 3, Parisima, Opp IFC Bhavan, Opp  
Vaishali Complex, CG Road, Ellisbridge,  
Ahmedabad, Gujarat – 380006

**Sub: Recommendation of Share Exchange Ratio for the (i) proposed amalgamation of Shri Bhagwati Flour Mills Private Limited with Shree Bhagwati Flour & Foods Private Limited and (ii) demerger of the "Real Estate Business" from Shree Bhagwati Flour & Foods Private Limited, and transfer and vesting thereof into Yellow Soul Foods Private Limited.**

Dear Sirs,

We refer to our engagement letter dated 2<sup>nd</sup> April 2024 whereby Shree Bhagwati Flour & Foods Private Limited ("SBFF"), Shri Bhagwati Flour Mills Private Limited ("SBFM") and Yellow Soul Foods Private Limited ("YSF") appointed RBSA Valuation Advisors LLP, a Registered Valuer Entity ("RBSA"/ "Valuer") to recommend the Share Exchange Ratio as on 31<sup>st</sup> March 2024 (the "Valuation Date") for the (i) proposed amalgamation of SBFM into SBFF and (ii) demerger of "Real Estate Business" from SBFF, and transfer and vesting thereof into YSF, pursuant to a Composite Scheme of Arrangement between SBFF, SBFM, YSF and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the "Scheme").

The Share Exchange ratio for the purpose of this report ("Report") refers to the number of fully paid-up Equity Shares of face value INR 10/- each to be issued by SBFF to the equity shareholders of SBFM as a consideration for the proposed amalgamation of SBFM on a 'going concern' premise into SBFF and number of fully paid-up Equity Shares of face value of INR 10/- each to be issued by YSF to the equity shareholders of SBFF as a consideration for the proposed demerger of Real Estate Business from SBFF on a 'going concern' premise into YSF, pursuant to the Scheme (the "Share Exchange Ratio").

This Report is our deliverable to recommend the Share Exchange Ratio to the Board of Directors of SBFF, SBFM and YSF for the proposed amalgamation of SBFM into SBFF and demerger of Real Estate Business of SBFF into YSF pursuant to the Scheme.

This Report is subject to the scope, assumptions, exclusions, limitations, and disclaimers detailed hereinafter. As such, the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

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### CONTEXT AND PURPOSE OF THIS REPORT

We understand that the management of SBFF, SBFM and YSF (together referred to as the "Management") are contemplating the amalgamation of SBFM into SBFF and demerger of Real Estate Business of SBFF into YSF, pursuant to the Scheme (the "Proposed Transaction"), which inter-alia envisages the following:

- Amalgamation of SBFM into SBFF and issue of equity shares by SBFF to the shareholders of SBFM as a consideration for the amalgamation.
- Demerger of the Real Estate Business of SBFF into YSF and issue of equity shares by YSF to the shareholders of SBFF as a consideration for the Demerger.

In this context, SBFF, SBFM and YSF have jointly appointed RBSA, a Registered Valuer Entity, to recommend to the Board of Directors of SBFF, SBFM and YSF, the Share Exchange Ratio for the proposed amalgamation of SBFM on a 'going concern' premise into SBFF and demerger of Real Estate Business of SBFF on a 'going concern' premise into YSF, pursuant to the Scheme.

SBFF, SBFM and YSF are together referred to as the "Specified Companies" or the "Client". RBSA is referred to as the "Valuer".

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### SOURCES OF INFORMATION

In connection with this exercise, we have considered the following information received from the Management and/ or obtained from the public domain:

- Audited financial statements of SBFF & SBFM for FY21, FY22 and FY23;
- Audited financial statements of YSF for FY23;
- Provisional Balance sheet and statement of profit & loss of the Specified Companies for FY24;
- Projected cashflows of SBFF and SBFM, which the Management of the respective company believes to be their best estimate of the expected performance of their respective company ("**Management Projections**");
- Copy of sale deed (ownership document) of land held by SBFM at Matoda, Gujarat and lease deed agreement of said land between SBFM and SBFF;
- Copy of approved layout & building plan of building held by SBFF on leased land from SBFM at Matoda Gujarat;
- Copy of lease deed of above land & building at Matoda Gujarat with third party & SBFF as part of its Real Estate Business;
- Draft Composite Scheme of Arrangement between SBFF, SBFM, YSF and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013;
- Databases such as Capital IQ;
- Discussions and correspondence with the Management;
- Other information and documents considered relevant for the purpose of this engagement;
- We have also obtained the explanations, information, and representations, which we believed were reasonably necessary and relevant for our exercise from the Management.

### PROCEDURES ADOPTED

Procedures adopted for our analysis included such substantive steps as we considered necessary under the circumstances, including, but not limited to the following:

- Discussion with the Management to *inter-alia*:
  - Understand the business and fundamental factors that affect the business of the Specified Companies;
  - Understand historical financial performance, current state of affairs and expected future financial performance of the Specified Companies;
- Analysis of information shared by the Management including the following:
  - financial statements of the Specified Companies;
  - Management Projections;
  - Site visit at land and building at Matoda Gujarat held by SBFM and SBFF respectively;
  - Market survey, research and analysis pertaining to the above-mentioned land & building;
- Considered the draft Scheme;
- Selection of appropriate valuation approach and methodology/(ies);
- Determination of the Share Exchange Ratio for the proposed amalgamation of SBFM into SBFF and demerger of Real Estate Business of SBFF into YSF.



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### BACKGROUND OF THE SPECIFIED COMPANIES

#### Shree Bhagwati Flour & Foods Pvt Ltd

Shree Bhagwati Flour & Foods Pvt. Ltd. is a leader in processing, manufacturing, exporting and private labelling of varied Flours, Spices, Lentils / Pulses, Instant Mixes, Snacks, General groceries etc and a whole range of food items and ingredients that are an integral part of rich Indian Cuisine. The Company operates with 2,50,000 sq. ft. of factory premises at three locations with state-of-the-art facilities. SBFF exports, manufactures & processes more than 300 types of flours, spices and mixes in-house. SBFF markets itself domestically under brand names "Gaay Chhap" and "Uttam" & in the International markets under brand names "Kemchho", "Uphaar", "Gaay" and "Uttam".

The issued and subscribed equity share capital of SBFF as at 31<sup>st</sup> March 2024 is INR 24.9 million consisting of 24,93,500 equity shares of face value of INR 10 each. The shareholding pattern of SBFF as at 31<sup>st</sup> March 2024 is as under:

No.	Shareholder category	Percentage
1.	Promoter and Group	100.00%
<b>Total</b>		<b>100.00%</b>

Source: Information provided by SBFF Management

Equity shares of SBFF are not listed on any of the stock exchanges in India.

#### Shri Bhagwati Flour Mills Pvt Ltd

Founded in 1962 by Shri. Ramchandra Patel, Shree Bhagwati Group ("Group") started as a small gram flour milling plant in the State of Gujarat. Shri Bhagwati Flour Mills Pvt. Ltd, a Shree Bhagwati Group Company is predominately engaged in manufacturing of Besan, Maida, Rava products & caters to B2B segment.

The issued and subscribed equity share capital of SBFM as at 31<sup>st</sup> March 2024 is INR 42.5 million consisting of 42,50,000 equity shares of face value of INR 10 each. The shareholding pattern of SBFM as at 31<sup>st</sup> March 2024 is as under :

No.	Shareholder category	Percentage
1.	Promoter and Group	100.00%
<b>Total</b>		<b>100.00%</b>

Source: Information provided by SBFM Management

Equity shares of SBFM are not listed on any of the stock exchanges in India.

#### Yellow Soul Foods Pvt Ltd

Yellow Soul Foods Private Limited was incorporated on 16<sup>th</sup> June 2022 as a private company in the State of Gujarat in accordance with the provisions of the Companies Act, 2013. YSF was incorporated to carry out the business of manufacturing, processing, trading in various food



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products.

The issued and subscribed equity share capital of YSF as at 31<sup>st</sup> March 2024 is INR 0.2 million consisting of 20,000 equity shares of face value of INR 10 each. The shareholding pattern of YSF as at 31<sup>st</sup> March 2024 is as under:

No.	Shareholder category	Percentage
1.	Promoter and Group	100.00%
	<b>Total</b>	<b>100.00%</b>

Source: Information provided by YSF Management

Equity shares of YSF are not listed on any stock exchanges in India.

### VALUATION APPROACH & METHODOLOGY

**Valuation Base:** Valuation base means the indication of the type of value being used in an engagement. Different Valuation bases may lead to different conclusions of value. Considering the nature of this exercise, we have adopted Relative Value as the Valuation base.

**Premise of Value:** Premise of Value refers to the conditions and circumstances how an asset is deployed. Considering the nature of this exercise, we have adopted 'Going Concern' Value as the Premise of Value.

**Intended Users:** This Report is intended for consumption of the Board of Directors of SBFF, SBFM and YSF and may be submitted to the shareholders of SBFF, SBFM & YSF and relevant regulatory and judicial authorities as may be mandatorily required under the laws of India, in connection with the Proposed Transaction.

It should be understood that the valuation of any entity or business is inherently subjective and is subject to uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we have relied on explanations provided by the Management and have made assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the Management/ Specified Companies. This valuation could fluctuate with the passage of time, changes in prevailing market conditions and prospects, industry performance and general business and economic conditions financial and otherwise, of the Specified Companies, and other factors which generally influence the valuation of companies and their assets.

ICAI VS 301 specifies that generally, the following three approaches can be used for valuation of business to determine the value of the equity shares of a company/ business,

- Income Approach – Discounted Cash Flow method
- Market Approach
- Asset Approach – Net Asset Value method

There are several commonly used and accepted methods, within the market approach, income



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approach and asset approach, for determining the Share Exchange Ratio, which have been considered in the present case, to the extent relevant and applicable, and subject to the availability of detailed information.

### Income Approach – Discounted Cash Flow (“DCF”)

Income approach is a valuation approach that converts maintainable or future amounts (e.g., cash flows or income and expenses) to a single current (i.e., discounted or capitalized) amount.

Under the DCF method the projected free cash flows to the firm are discounted at the weighted average cost of capital. This method is used to determine the present value of a business on a going concern assumption and recognizes the time value of money by discounting the free cash flows for the explicit forecast period and the perpetuity value at an appropriate discount factor. The terminal value represents the total value of the available cash flow for all periods subsequent to the horizon period. The terminal value of the business at the end of the horizon period is estimated, discounted to its present value equivalent, and added to the present value of the available cash flow to estimate the value of the business.

Such DCF analysis involves determining the following:

- Estimating future free cash flows: Free cash flows are the cash flows expected to be generated by the company/ asset that are available to the providers of the company's capital – both debt and equity.
- Appropriate discount rate to be applied to cash flows i.e., the cost of capital: This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to all the capital providers (namely shareholders and creditors), weighted by their relative contribution to the total capital of the company. The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

The management of SBFF and SBFM have provided Management Projections of the operating business, which represents their best estimate of the expected performance of both the companies. Considering the aforementioned, Income Approach – DCF method has been adopted for the valuation of operating business of SBFF and SBFM.

### Market Approach

Market approach is a valuation approach that uses prices and other relevant information generated by market transactions involving identical or comparable (i.e., similar) assets, liabilities or a group of assets and liabilities, such as a business.

### Market Price Method:

Under this method, the value of shares of a company is determined by taking the average of the market capitalization of the equity shares of such companies as quoted on a recognized stock exchange over reasonable periods of time where such quotations are arising from the shares being regularly and freely traded in an active market, subject to the element of speculative support that may be inbuilt in the market price.



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### Comparable Companies Multiple (CCM) Method:

Under this method, the value of the shares / business of a company is estimated by applying the derived market multiple based on market quotations of comparable public / listed companies, in an active market, possessing attributes similar to the business of such company - to the relevant financial parameter of the company / business (based on past and / or projected working results) after making adjustments to the derived multiples on account of dissimilarities with the comparable companies and the strengths, weaknesses and other factors peculiar to the company being valued. These valuations are based on the principle that such market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

### Comparable Transaction Multiple (CTM) Method

Under Comparable Transaction Method, the value of shares / business of a company is determined based on market multiples of publicly disclosed transactions in the similar space as that of the subject company. Multiples are generally based on data from recent transactions in a comparable sector, but with appropriate adjustment after consideration has been given to the specific characteristics of the business being valued.

Equity shares of SBFF, SBFM and YSF are not listed on any stock exchanges and, accordingly, Market price method has not been adopted for SBFF, SBFM and YSF. Considering the aforementioned, Comparable Companies Multiple Method has been adopted for valuation of operating business of SBFF. Further, Comparable Companies Multiple Method has not been adopted for SBFM and YSF as there was no comparable listed peers available who are engaged into similar business as that of SBFM and YSF.

In the absence of relevant details of the recent comparable transactions in the public domain, we have not adopted Comparable Transactions Multiple Method. Further, such transaction multiples may also include acquirer specified considerations, synergy benefits, control premium and minority adjustments, etc.

### Asset Approach

The asset-based valuation technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. A net asset methodology is most applicable for businesses where the value lies in its underlying assets and not in the ongoing operations of the business.

Valuation of the Specified Companies is carried out on a 'going concern' premise. SBFF and SBFM have made operating profits in the recent past and are expected to make operating profits in the near to medium term. The historical net asset value of SBFF and SBFM may not be representative of their earning potential. Accordingly, Asset Approach has not been adopted for the valuation of SBFF and SBFM. Asset Approach has been adopted for the valuation of YSF as the Company has had marginal business operations in the past.

The valuation of Real Estate Business of SBFF and land parcel of SBFM at Matoda Gujarat is carried out separately as explained below:



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### Income Capitalization Method:

Valuation of Real Estate Business (Lessor's Interest in the property) of SBFF is carried out using Income Capitalization Method.

This approach is relevant for investment properties having value ingredients like utility, marketability, self-liquidity and are generating income. The net income (net of expenses) in the form of rent to be yielded from the property is estimated and capitalized as per the lease agreement for balance lease tenure and perpetuity thereafter.

### Comparable Transaction (Sales Comparison) Method:

The valuation of land parcel of SBFM at Matoda Gujarat is carried out using Comparable Transaction Method.

Under this method, the sale transactions or quoted prices of similar or identical property from an active market are considered for valuation purposes. If quoted prices of a comparable property are not available, then relevant adjustments are carried out on available sale instances or quotes for estimation of the Fair Value.

It is difficult to find two identical properties, as they may differ in their physical factors like shape, size, area, location, frontage, access, usage etc. These variations or differences require an adjustment in values while comparison. Some factors of the subject property may be superior, and some may be inferior to the subject property, against which appropriate positive and negative factors will have to apply to the subject property respectively. These factors include Shape, Size, Prominence, Plot area, Topography, Marketability, Utility of land in vicinity, Prevailing land rates in vicinity, Locality, Neighbourhood, Civic Amenities and Stigma Aspects etc.

### **SCOPE, ASSUMPTIONS, EXCLUSIONS, LIMITATIONS AND DISCLAIMERS**

Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. These services do not represent accounting, assurance, accounting / tax due diligence, consulting or tax related services that may otherwise be provided by us or our affiliates.

The scope of our services is to recommend a Share Exchange Ratio for the Proposed Transaction. Valuation Standards ("ICAI VS") issued by the Institute of Chartered Accountants of India, International Valuation Standards ("IVS") have been adopted for the valuation.

The recommendation contained herein is as of 31<sup>st</sup> March 2024 ("Valuation Date") and is not intended to represent value at any time other than the Valuation Date.

This Report, its contents and the results herein are (i) specific to the purpose of valuation agreed as per the terms of our engagement; (ii) the Valuation Date and (iii) are based on the data detailed in the section - Sources of Information. We have been informed by the Management that the business activities of the Specified Companies have been carried out in the normal and ordinary course between 31<sup>st</sup> March 2024, and the Report date and that no material changes have occurred in their respective operations and financial position between



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31<sup>st</sup> March 2024, and the Report date.

An analysis of this nature is necessarily based on the information made available to us, the prevailing stock market, financial, economic and other conditions in general and industry trends in particular, as of the Valuation Date. Events occurring after the date hereof may affect this Report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Report.

The recommendation rendered in this Report only represents our recommendation based upon information till date, furnished by the Management (or their representatives) and other sources and the said recommendation shall be considered to be in the nature of non-binding advice. Our recommendation will however not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors.

Valuation of a business or an entity is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgement. There is, therefore, no single undisputed Share Exchange Ratio. While we have provided our recommendation of the Share Exchange Ratio based on the information available to us and within the scope of our engagement, others may have a different opinion. The final responsibility for the determination of the Share Exchange Ratio at which the Proposed Transaction shall take place will be with the Board of Directors of the Specified Companies who should take into account other factors such as their own assessment of the Proposed Transaction and inputs from other advisors.

During the valuation, we were provided with both written and verbal information. We have evaluated the information provided to us by/ on behalf of the Management through broad inquiry, analysis and review but have not carried out a due diligence or audit of the information provided for the purpose of this engagement. Our conclusions are based on the assumptions, forecasts and other information given by/on behalf of the Management. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the financial statements. Further, with respect to the information and explanation sought for the Specified Companies, we have been given to understand by the Management that they have not omitted any relevant or material information. Our conclusions are based on the assumptions and information given by/on behalf of the Management. The Management has indicated to us that they have understood that any omissions, inaccuracies or misstatements may materially affect our valuation analysis/results.

Valuation may be based on estimates of future financial performance or opinions that represent reasonable expectations at a particular point in time. However, we do not provide assurance on the achievability of the results projected by the Management as events and circumstances do not occur as expected and differences between actual and expected results may be material. We express no opinion as to how closely the actual results will correspond to those projected as the achievement of the projected results is inter-alia dependent on actions, plans and assumptions of the Management and macro-economic and other external factors which are beyond the control of the Management. Further, we have relied on the assessment of the Management as regards to contingent and other liabilities.

The Report assumes that the Specified Companies comply fully with relevant laws and regulations applicable in its area of operations and usage unless otherwise stated, and that they will be managed in a competent and responsible manner. Further, unless specifically stated to the



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contrary, this Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigations and other contingent liabilities that are not recorded/ reflected in the financial statements provided to us.

This Report does not analyse the business/ commercial reasons behind the Proposed Transaction nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of the Proposed Transaction as compared with any other alternative business transaction or other alternatives or whether such alternatives could be achieved or are available.

We have relied on data from external sources also to conclude the valuation. These sources are believed to be reliable and therefore, we assume no liability for the truth or accuracy of any data, opinions or estimates furnished by others that have been used in this analysis. Where we have relied on data, opinions or estimates from external sources, reasonable care has been taken to ensure that such data has been correctly extracted from those sources and / or reproduced in its proper form and context.

The valuation analysis is based on the exercise of judicious discretion by the valuer taking into account the relevant factors. There will always be several factors, e.g. management capability, present and prospective competition, yield on comparable securities, market sentiment, etc. which may not be apparent from the financial statements but could strongly influence the value.

No investigation/ inspection of the Specified Companies' claims to title of assets has been made for the purpose of this Report and the Specified Companies' claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the financial statements. Therefore, no responsibility is assumed for matters of a legal nature.

Neither this Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties other than in connection with the Scheme, without our prior written consent and we express no opinion or recommendation as to how the shareholders of the Specified Companies should vote at the shareholders' meeting(s) to be held in connection with the Proposed Transaction.

This Report and the information contained in it is absolutely confidential and intended only for the sole use and information of the Board of Directors of the Specified Companies in connection with the Proposed Transaction including for the purpose of obtaining regulatory approvals, as required under applicable laws of India, for the proposed amalgamation and demerger. Without limiting the foregoing, we understand that SBFF, SBFM and YSF may be required to share this Report with their shareholders, regulatory or judicial authorities, in connection with the Proposed Transaction (together, "Permitted Recipients"). We hereby give consent to such disclosure of this Report, on the basis that the Valuer owes responsibility only to SBFF, SBFM and YSF that have engaged us, under the terms of the engagement, and to no other person; and that, to the fullest extent permitted by law, the Valuer accepts no responsibility or liability to any other party, in connection with this Report. It is clarified that reference to this Report in any document and / or filing with Permitted Recipients, in connection with the Proposed Transaction, shall not be deemed to be an acceptance by the Valuer of any responsibility or liability to any person/ party other than the Client.

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The Management has informed us that:

- There are no unusual / abnormal events in the Specified Companies till the Report Date materially impacting their operating / financial performance. Further, the Management has informed us that all material information impacting the Specified Companies has been disclosed to us.
- There would be no variation between the draft Scheme of Arrangement and the final Scheme approved and submitted with the relevant authorities.

We owe responsibility to only the Boards of Directors of the Specified Companies that have appointed us under the terms of our engagement letter and nobody else. We will not be liable for any losses, claims, damages or liabilities arising out of the actions taken, omissions of or advice given by any other advisor to the Specified Companies. In no event shall we be liable for any loss, damages, cost or expenses arising in any way from fraudulent acts, misrepresentations or willful default on part of the Specified Companies, their directors, employees or agents. In no circumstances shall the liability of a Valuer, its partners, its directors or employees, relating to the services provided in connection with the engagement set out in this Valuation Report shall exceed the amount paid to the Valuer in respect of the fees charged by it for these services.

We do not accept any liability to any third party in relation to the issue of this Report. It is understood that this analysis does not represent a fairness opinion on the Share Exchange Ratio. This Report is not a substitute for the third party's own due diligence/ appraisal/ enquiries/ independent advice that the third party should undertake for his purpose.

Our Report can be used by the Board of Directors of the Specified Companies only for the purpose, as indicated in this Report, for which we have been appointed. The results of our valuation analysis and our Report cannot be used or relied by the Specified Companies for any other purpose or by any other party for any purpose whatsoever. We are not responsible to any other person/ party for any decision of such person / party based on this Report. Any person / party intending to provide finance / invest in the shares / business of the companies / their holding companies/ subsidiaries/ associates/ investee companies/ other group companies, if any, shall do so after seeking their own professional advice and after carrying out their own due diligence procedures to ensure that they are making an informed decision. If any person/ party (other than the Client) chooses to place reliance upon any matters included in the Report, they shall do so at their own risk and without recourse to the Valuer. It is hereby notified that usage, reproduction, distribution, circulation, copying or otherwise quoting of this Report or any part thereof, except for the purpose asset out earlier in this Report, without our prior written consent, is not permitted, unless there is a statutory or a regulatory requirement to do so.

The Management has been provided with the opportunity to review the draft report (excluding the recommended Share Exchange Ratio) as part of our standard practice to make sure that factual inaccuracies / omissions are avoided in our final Report.

The fee for the engagement is not contingent upon the results reported.

This Report is subject to the laws of India.

The Report should only be used in connection with the Scheme.

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### DISCLOSURE OF RV INTEREST OR CONFLICT, IF ANY AND OTHER AFFIRMATIVE STATEMENTS

We do not have any financial interest in the Specified Companies, nor do we have any conflict of interest in carrying out this valuation. Further, the information provided by the Management has been appropriately reviewed in carrying out the valuation.

### BASIS OF FAIR SHARE EXCHANGE RATIO

The Proposed Transaction contemplates (i) the amalgamation of SBFM into SBFF on a going concern premise and (ii) demerger of Real Estate Business of SBFF into YSF on a going concern premise, pursuant to the Scheme. Arriving at the Share Exchange Ratio for the Proposed Transaction would require determining the value of the equity shares of the Specified Companies, independently but on a relative basis, and without considering the Proposed Transaction.

The basis of amalgamation of the SBFM into SBFF and demerger of Real Estate Business of SBFF into YSF would have to be determined after taking into consideration all the factors and methodologies mentioned hereinabove. Though different values have been arrived at under each of the above methodologies, for the purposes of recommending a Share Exchange Ratio, it is necessary to arrive at a single value for the equity share of the Specified Companies. It is however important to note that in doing so we are not attempting to arrive at the absolute values but at their relative values to facilitate the determination of a Share Exchange Ratio. For this purpose, it is necessary to give appropriate weights to the values arrived at under each methodology.

The Share Exchange Ratio has been arrived at on the basis of a relative valuation based on the various approaches/ methods explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potential of the businesses, having regard to information base, key underlying assumptions and limitations.

The Valuer has been appointed jointly by the SBFF, SBFM and YSF and has worked independently in his analysis. Valuer has independently applied the methodologies, as considered appropriate, and arrived at his assessment of value per share of the Specified Companies. To arrive at the consensus on the Share Exchange Ratio for the Proposed Transaction suitable averaging and rounding off in the values arrived at by the Valuer has been done.



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The computation of the Share Exchange Ratio for proposed amalgamation is as under:

Valuation Approach	SBFF		SBFM	
	INR per share	Weight	INR per share	Weight
Income Approach: DCF	5,775.0	50%	800.0	100%
Market Approach: Market Price Method	NA	0%	NA	0%
Market Approach: Comparable Companies Multiple Method	6,256.3	50%	NA	0%
Asset Approach: Adjusted Net Asset Value	NA	0%	NA	0%
<b>Value per share</b>	<b>6,015.6</b>	<b>100%</b>	<b>800.0</b>	<b>100%</b>
<b>Share Exchange Ratio (Rounded Off)</b>	<b>0.133</b>			

NA: Not Applicable

On the basis of the foregoing and on consideration of the relevant factors and circumstances as discussed and outlined herein above, we recommend the following Share Exchange Ratio for the amalgamation of SBFM into SBFF:

- 133 (One Hundred and Thirty-Three) fully paid-up Equity Shares of face Value of INR 10 each of Shree Bhagwati Flour and Foods Private Limited for every 1000 (One Thousand) fully paid-up Equity Shares of face Value INR 10 each held in Shri Bhagwati Flour Mills Private Limited.

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The computation of the Share Exchange Ratio for proposed Demerger is as under:

Valuation Approach	SBFF (Real Estate Business)		YSF	
	INR per share	Weight	INR per share	Weight
Income Approach: DCF	NA	0%	NA	0%
Market Approach: Market Price Method	NA	0%	NA	0%
Market Approach: Comparable Companies Multiple Method	NA	0%	NA	0%
Asset Approach: Adjusted Net Asset Value	282.8	100%	51.3	100%
Value per share	282.8 <sup>*</sup>	100%	51.3	100%
Share Exchange Ratio			5.512	

NA: Not Applicable

\* Value per share of Real Estate Business of SBFF has been determined after taking into consideration the fresh issue of equity shares issued to the shareholders of SBFF for the amalgamation of SBFF with SBFF, pursuant to the Scheme.

On the basis of the foregoing and on consideration of the relevant factors and circumstances as discussed and outlined herein above, we recommend the following Share Exchange Ratio for the demerger of Real Estate Business of SBFF into YSF:

- 5,512 (Five Thousand Five Hundred and twelve) fully paid-up Equity Shares of face Value of INR 10 each of Yellow Soul Foods Private Limited for every 1000 (One Thousand) fully paid-up Equity Shares of face Value INR 10 each held in Shree Bhagwati Flour and Foods Private Limited.

The Share Exchange Ratio has been determined based on the capital structure of the Specified Companies as on the Valuation Date and in the event of any material change in the Scheme or capital structure of the Specified Companies, the Share Exchange Ratio may not remain valid.

Respectfully submitted,

For RBSA Valuation Advisors LLP  
(RVE No.: IBB/RV-E/05/2019/110)

Partner  
Nitin Mukhi  
Asset Class: Securities or Financial Assets  
RV No.: IBB/RV/06/2020/13577  
Date: 26/04/2024  
Place: Ahmedabad

Partner  
Saurabh Upadhyay  
Asset Class: Land and Building  
RV No.: IBB/RV/08/2022/14771  
Date: 26/04/2024  
Place: Ahmedabad



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## FORM NO. MGT-11

### PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Unsecured Creditor:	
Registered Address:	
E-mail ID:	

I / We, being the Unsecured Creditor of Shree Bhagwati Flour and Foods Private Limited, hereby appoint

1.	Name:	
	Address:	
	E-mail ID:	
	Signature	

Or failing him/her

2.	Name:	
	Address:	
	E-mail ID:	
	Signature	

Or failing him/ her

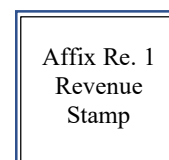
3.	Name:	
	Address:	
	E-mail ID:	
	Signature	

as my/our proxy to attend the meeting of the Unsecured Creditors of the Company to be held at Survey No. 430, Village - Moraiya, Sarkhej-Bavla Highway, Changodar, Ahmedabad - 382 213, Gujarat on Tuesday, 10<sup>th</sup> September 2024 at 12:00 noon (IST) and at any adjournment thereof for the purpose of considering, and if thought fit, approving, with or without modification(s), the proposed Composite Scheme of Arrangement between Shri Bhagwati Flour Mills Private Limited and Shree Bhagwati Flour and Foods Private Limited and Yellow Soul Foods Private Limited and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder ("**Scheme**") and at such meeting and at any adjournment or adjournments thereof in respect of the resolution as is indicated below:

Sr. No	Particulars	Resolution For	Resolution Against
		(Please put a (☑) mark)	
1.	To approve, with or without modification(s), the Composite Scheme of Arrangement between Shri Bhagwati Flour Mills Private Limited and Shree Bhagwati Flour and Foods Private Limited and Yellow Soul Foods Private Limited and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder		

\*Strike out whichever is not applicable

Signed this.....day of .....2024.



Signature of Unsecured Creditor

Signature of first proxy holder	Signature of second proxy holder	Signature of third proxy holder
---------------------------------	----------------------------------	---------------------------------

**Notes:**

1. The form of Proxy must be deposited at the registered office of the Transferee Company at not later than 48 (Forty-Eight) hours before the scheduled time of the commencement of the said Meeting.
2. If you are a body corporate, as the Unsecured Creditor, a copy of the resolution of the Board of Directors or the Governing Body authorizing such a person to act as its representative/proxy at the Meeting and certified to be a true copy by a director, the manager, the secretary or any other authorized officer of such Body Corporate should be lodged with the Transferee Company at its registered Office not later than 48 (Forty Eight) hours before the Meeting.
3. All alterations made in the form of proxy should be initialed.
4. Please affix appropriate revenue stamp before authorization.
5. In case of multiple proxies, the proxy later in time shall be accepted.
6. Proxy need not be an unsecured creditor of Shree Bhagwati Flour and Foods Private Limited.
7. No person shall be appointed as Proxy who is a minor.



**ATTENDANCE SLIP**

**MEETING OF THE UNSECURED CREDITORS OF SHREE BHAGWATI FLOUR AND FOODS PRIVATE LIMITED  
("SBFF") CONVENED PURSUANT TO THE ORDER OF THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL,  
AHMEDABAD BENCH**

Name of the Unsecured Creditor/ Proxy/ Authorized Representative	
Address of the Unsecured Creditor/ Proxy/ Authorized Representative	
Email ID	

I/We certify that I/We am/are the unsecured creditor(s)/proxy for the registered unsecured creditor(s) of the SBFF.

I/We hereby record my/our presence at the meeting of Unsecured Creditors of Shree Bhagwati Flour and Foods Private Limited to be convened at Survey No. 430, Village - Moraiya, Sarkhej-Bavla Highway, Changodar, Ahmedabad - 382 213, Gujarat on Tuesday, 10<sup>th</sup> September 2024 at 12:00 noon (IST).

\*Strike out whichever is not applicable

Signature of the Unsecured Creditor(s)/Proxy/  
Authorized Representative

**Notes:**

1. Unsecured Creditor/ Proxy Holder/Authorized Representative wishing to attend the Meeting should bring the attendance slip to the Meeting and hand over at the entrance duly signed.
2. Unsecured Creditor/ Proxy Holder/Authorized Representative desiring to attend the Meeting should bring his/her copy of Notice for reference at the Meeting.

**Route Map to the Venue of the NCLT Convened Meeting of the Unsecured Creditors of the Company**

