

HEADS UP VENTURES LIMITED

CIN: L52390MH2011PLC213349

Registered Office: Plot No. E-132, MIDC, Tarapur Industrial Area, Boisar, Dist : Palghar – 401506

21st August, 2024

To,
BSE Limited
Phiroz Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001.

To,
The National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No.C-1,
G Block, Bandra Kurla Complex,
Bandra (East), Mumbai 400 051.

Dear Sir/ Madam,

Sub: Submission of Annual Report 2023-24 pursuant to regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Ref: BSE- 540210; NSE - HEADSUP

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith copy of the Annual Report 2023-24 along with Notice of the 13th Annual General Meeting of the Company to be held on Thursday, 12th September, 2024.

Kindly take the above on your records and oblige.

Thanking you,
Yours faithfully,
for **HEADS UP VENTURES LIMITED**

HANSRAJ RATHOR
Digitally signed by
HANSRAJ RATHOR
Date: 2024.08.21
15:16:09 +05'30'

HANSRAJ RATHOR
Managing Director
DIN 07567833

Encl: As above



HEADS UP VENTURES LIMITED

CIN: L52390MH2011PLC213349

Registered Office: Plot No. E-132, M.I.D.C. Tarapur Industrial Area, Boisar, Dist. Palghar- 401506

Tel: 91-22-24117743 • **E-mail:** cs@huvl.in • **Website:** www.huvl.in

NOTICE OF THE 13TH ANNUAL GENERAL MEETING

To,
The Members,

NOTICE is hereby given that the Thirteenth Annual General Meeting of the Members of **Heads UP Ventures Limited** ('Company') will be held on **Thursday, the 12th day of September, 2024 at 2:30 p.m. (IST)**, through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') in accordance with the relevant circulars issued by the Ministry of Corporate Affairs, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2024 and the Reports of the Directors and Auditors thereon.
2. To appoint Mr. Hansraj Rathor (DIN: 07567833) who is subject to retire by rotation in terms of Section 152(6) of the Companies Act, 2013, and being eligible, offers himself for reappointment.
3. **APPOINTMENT OF STATUTORY AUDITORS**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 and all other applicable rules made under the Companies Act, 2013 (including any statutory modifications or re-enactment thereof, for the time being in force), M/s. J. Singh & Associates, Chartered Accountants (Firm Registration No. 110266W), be and is hereby appointed as the statutory auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the 16th Annual General Meeting and that any of the Executive Directors in consultation with the statutory auditors, be and is hereby authorized to fix the remuneration payable to them plus applicable taxes and re-imbursment of out-of pocket expenses, if any, incurred by them for audit purpose.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized, including the authority to delegate all or any of the powers to any committee of directors with power to further delegate to any other officer(s) / authorized representative(s) of the Company to execute any documents, forms, paper and to file any form or documents with the statutory authorities and to do all such acts, deeds and things as may be necessary to give effect to this resolution."

SPECIAL BUSINESS:

4. **APPOINT MR. RONAK PANKAJBHAI SHETH, DIN: 08237390, AS NON EXECUTIVE AND NON-INDEPENDENT DIRECTOR OF THE COMPANY, LIABLE TO RETIRE BY ROTATION, FOR A PERIOD OF 5 (FIVE) CONSECUTIVE YEARS:**

*To consider and, if thought fit, to pass the following resolution as a **Ordinary Resolution**:*

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and all other applicable rules made thereunder the Act (including any statutory modifications or re-enactment thereof, for the time being in force) (hereinafter referred to as the 'Act'), and Regulations 16(1)(b), 17, 25 and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications or re-enactment thereof, for the time being in force) (hereinafter referred to as 'Listing Regulations') and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, Mr. Ronak Pankajbhai Sheth, DIN: 08237390, who was appointed as an Additional Non-Executive and Non-Independent Director of the Company with effect from 13th June, 2024 to hold office till the conclusion of the 13th Annual General Meeting of the Company and he is not disqualified to become a director under the Companies Act; the Company has received a notice in writing from a member under Section 160(1) of the Act proposing his candidature for the office of the Non-Executive and Non-Independent Director of the Company, be and is hereby appointed as a Non-Executive and Non-Independent Director of the Company, to hold office from the conclusion of this Annual General Meeting upto the conclusion of the 18th Annual General Meeting of the Company, as set out in the Statement pursuant to Section 102 of the Act annexed to this Notice and whose office shall be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to delegate all or any of the powers to any committee of directors, including power to further delegate to any other officer(s) / authorized representative(s) of the Company to execute any documents, forms, paper and to file any form or documents with the statutory authorities and to do all such acts, deeds and things as may be necessary to give effect to the resolution."



5. APPOINT MR. BHARATKUMAR M. MUNDRA, DIN: 02281916, AS NON EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY, NOT LIABLE TO RETIRE BY ROTATION, FOR A PERIOD OF 5 (FIVE) CONSECUTIVE YEARS:

*To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:*

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and all other applicable rules made thereunder the Act (including any statutory modifications or re-enactment thereof, for the time being in force) (hereinafter referred to as the 'Act'), and Regulations 16(1)(b), 17, 25 and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications or re-enactment thereof, for the time being in force) (hereinafter referred to as 'Listing Regulations') and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, Mr. Bharatkumar M. Mundra, DIN: 02281916, who was appointed as an Additional Non-Executive and Independent Director of the Company with effect from 13th June, 2024 to hold office till the conclusion of the 13th Annual General Meeting of the Company and he is not disqualified to become a director under the Companies Act; the Company has received a notice in writing from a member under Section 160(1) of the Act proposing his candidature for the office of the Non-Executive and Independent Director of the Company, to hold office from the conclusion of this Annual General Meeting upto the conclusion of the 18th Annual General Meeting of the Company, as set out in the Statement pursuant to Section 102 of the Act annexed to this Notice and whose office shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to delegate all or any of the powers to any committee of directors, including power to further delegate to any other officer(s) / authorized representative(s) of the Company to execute any documents, forms, paper and to file any form or documents with the statutory authorities and to do all such acts, deeds and things as may be necessary to give effect to the resolution."

By Order of the Board of Directors
For **HEADS UP VENTURES LIMITED**

HANSRAJ RATHOR
Managing Director
DIN: 07567833

Registered Office:
Plot No. E-132, M.I.D.C.,
Tarapur Industrial Area,
Boisar, Dist. Palghar - 401 506

Place: Mumbai
Date : 13th August, 2024

NOTES:

1. The Ministry of Corporate Affairs ("MCA") has vide its General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19", General Circular Nos. 20/2020 dated May 5, 2020, and subsequent circulars issued in this regard, the latest being 09/2023 dated September 25, 2023 in relation to "Clarification on holding of annual general meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM)", (collectively referred to as "MCA Circulars") and the Securities and Exchange Board of India ("SEBI") vide its circular no. SEBI/HO/DDHS/P/CIR/ 2023/0164 dated October 6, 2023 and other applicable circulars issued in this regard, (hereinafter collectively referred to as "SEBI Circulars"), permitted the holding of the Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars, the AGM of the Company is being held through VC /OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
2. The relevant Explanatory Statement pursuant to section 102 of the Act in respect of the business under Item Nos. 3 of the Notice, is annexed hereto. The relevant details as required under Listing Regulations, of person/s seeking appointment/ re-appointment as Director / Auditor forms part of this notice.
3. In accordance with the aforesaid MCA Circulars and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 and SEBI/HO/DDHS/P/CIR/ 2023/0164 dated October 6, 2023 issued by Securities Exchange Board of India (collectively referred to as "SEBI Circulars"), the Notice of the AGM along with the Annual Report for FY 2023-24 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2022-2024 will also be available on the Company's website at www.huvl.in, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.
4. Pursuant to the provisions of the Act, generally a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
5. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.



6. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 6th September, 2024 to Thursday, 12th September, 2024 (both days inclusive), ('Book Closure period') for the purpose of holding Annual General Meeting.
7. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through e-voting.
8. Mr. Hansraj Rathor, Managing Director is liable to retire by rotation. He being eligible, offers himself for re-appointment. Brief profile of Mr. Hansraj Rathor, who retires by rotation at this Annual General Meeting, as required under Secretarial Standard on General Meeting ('SS-2') and Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, is given separately at Annexure A hereunder.

None of the Directors or Key Managerial Personnel or their relatives except Mr. Hansraj Rathor himself, is concerned or interested in the said resolution.
9. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service ('NECS'), Electronic Clearing Service ('ECS'), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant ('DP'). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Share Transfer Agent, M/s. Link Intime India Private Limited ('RTA' / 'LI IPL' / 'Link Intime') to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to the RTA at [rnt.helpdesk@linkintime.co.in](mailto:helpdesk@linkintime.co.in) or by letter addressed to Ms. Sharmila Amin, C 101, 247 Park, LBS Road, Surya Nagar, Gandhi Nagar, Vikhroli West, Mumbai - 400083 or to the Company by email to cs@huvl.in or by letter addressed to the Company Secretary at 008, Peninsula Center, Dr. S.S. Rao Road, Parel, Mumbai 400012, by quoting their folio number.

The SEBI has mandated the submission of Permanent Account Number ("PAN") by every participant in securities market. Members holding shares in physical form are requested to submit their PAN details to the RTA.
10. In case of joint holders attending the Meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
11. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019, except in case of request received for transmission or transposition of securities. In view of the above and to avail free transferability of shares and the benefits of dematerialization, members are requested to consider dematerialization of shares held by them in physical form. Members can contact the Company or its RTA for the same.
12. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
13. Any Member desirous of getting any information on the accounts or operations of the Company is requested to forward his/her/its queries to the Company at least seven working days prior to the Meeting, so that the required information can be made available at the Meeting.
14. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
15. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to cs@huvl.in.
16. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Listing Regulations, the Company is pleased to provide the Members a facility to exercise their right to vote on resolutions proposed to be considered at the 13th AGM by electronic means through e-Voting Services. The facility of casting votes by the Members using an electronic voting system from a place other than venue of the AGM ('remote e-voting') will be provided by LI IPL. In addition, the facility for voting through electronic voting system will also be made available at the Meeting ('e-voting at the AGM') and members attending the Meeting who have not cast their vote(s) by remote e-voting will be able to vote at the Meeting through INSTAMEET facility. The Company has engaged the services of LI IPL as the agency to provide e-voting facility at the AGM. The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the instructions given below.
17. Based on the shareholding of the Members, whose names appear in the Register of Members/ List of beneficial owners, received from National Securities Depository Limited ('NSDL') / Central Depository Services India Limited ('CDSL') as on close of the business hours on Thursday, 5th September, 2024 ('cutoff date'), a member shall be entitled to vote by way of remote voting or during the AGM. However, a person who is not a Member as on the cut-off date should treat this Notice for information purpose only.

18. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM, but shall not be entitled to cast their vote again.
19. The remote e-voting period will commence on Monday, 9th September, 2024 (9.00 a.m.) (IST) and will end on Wednesday, 11th September, 2024 (5.00 p.m.) (IST). During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date may cast their vote by remote e-voting. The remote e-voting module shall be disabled by LIPL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting by INSTAMEET facility at the AGM. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
20. The Company has appointed M/s. CS Umesh Kumar (CoP No. 8361), Practicing Company Secretary, as the scrutinizer (the 'Scrutinizer') for securitizing the remote e-voting process as well as e-voting at the AGM in a fair and transparent manner.
- 21. (A) Instructions for shareholders to vote electronically:**
- Remote e-voting Instructions for shareholders**
- In terms of the Circular issued by the Securities and Exchange Board of India dated December 9, 2020, on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual Demat account holders, by way of single login credential, through their Demat accounts/ websites of Depositories/ DPs in order to increase the efficiency of the voting process. Individual Demat account holders would be able to cast their vote without having to register again with the e-Voting service provider ("ESP") thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode/ physical mode is given below:

| Type of shareholders | Login Method |
|--|---|
| Individual Shareholders holding securities in demat mode with NSDL | <ul style="list-style-type: none"> If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number you hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |
| Individual Shareholders holding securities in demat mode with CDSL | <ul style="list-style-type: none"> Existing user who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi / Easiest, the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINK INTIME, CDSL. Click on e-Voting service provider name to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the E-Voting is in progress. |



| Type of shareholders | Login Method |
|--|--|
| Individual Shareholders (holding securities in demat mode) & login through their depository participants | <ul style="list-style-type: none"> You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on the Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |
| Individual Shareholders holding securities in Physical mode & e-voting service Provider is LINKINTIME. | <ol style="list-style-type: none"> Open the internet browser and launch the URL: https://instavote.linkintime.co.in <ul style="list-style-type: none"> Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details:- <ol style="list-style-type: none"> User ID: Shareholders/ members holding shares in physical form shall provide Event No. + Folio Number registered with the Company. PAN: Enter your 10-digit Permanent Account Number (PAN). Members who have not updated their PAN with the Depository Participant (DP)/ Company, shall use the sequence number provided to you, if applicable. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format) Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company. Shareholders/ members holding shares in physical form but have not recorded 'C' and 'D'; shall provide their Folio number in 'D' above <ul style="list-style-type: none"> Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@ ! # \$ & *), at least one numeral, at least one alphabet and at least one capital letter). Click "confirm" (Your password is now generated). Click on 'Login' under 'SHARE HOLDER' tab. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'. After successful login, you will be able to see the notification for e-voting. Select 'View' icon. E-voting page will appear. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link). After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes'; else to change your vote, click on 'No' and accordingly modify your vote. |

Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIIPL at <https://instavote.linkintime.co.in> and register themselves as 'Custodian / Mutual Fund / Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

The corporate shareholder can vote once remote e-voting is activated:

- By visiting URL: <https://instavote.linkintime.co.in>, login with credentials as received in Step 1 above.
- Click on 'Votes Entry' tab under the Menu section.
- Enter Event No. to cast vote. Event No. will be available on the home page of Instavote before the start of remote evoting.
- Enter '16-digit Demat Account No.' to cast vote.
- Refer the Resolution description and cast the vote by selecting the desired option 'Favour / Against' (to view the entire Resolution details, click on the 'View Resolution' file link).
- After selecting the desired option i.e., Favour / Against, click on 'Submit'.

A confirmation box will be displayed. To confirm the vote, click on 'Yes', else to change the vote, click on 'No' and accordingly modify your vote. (Once cast vote on the resolution, will not be allowed to modify or change it subsequently).

Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME, have forgotten the password:

- Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password'
- Enter User ID, select Mode and Enter Image Verification (CAPTCHA) Code and Click on 'Submit'
- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/ members can set the password of his/ her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#\$&*), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in Demat mode with NSDL/ CDSL have forgotten the password: Shareholders/ members who are unable to retrieve User

ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Helpdesk for Individual Shareholders holding securities in Demat mode:

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

| Login type | Helpdesk details |
|--|--|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at.: 022-4886 7000 and 022-2499 7000 |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no.1800 22 55 33. |

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & evoting service provider is LINKINTIME:

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the Frequently Asked Questions ('FAQs') and InstaVote e-Voting manual available at <https://instavote.linkintime.co.in> under Help Section or send an email to enotices@linkintime.co.in or contact on Tel: 022 - 4918 6000.

(B) (1) Instructions for Shareholders/Members to attend the Annual General Meeting through INSTAMEET (VC/OAVM) are as under:

- i. Shareholders/Members are entitled to attend the Annual General Meeting through VC/ OAVM provided by Link Intime by following the procedure mentioned below. Facility for joining the Annual General Meeting through VC/ OAVM shall open 15 minutes before the time scheduled for the Annual General Meeting and will be available to the Members on first come first serve basis.
- ii. Shareholders/Members are requested that participation through VC/OAVM is restricted upto 1000 members only and will be closed on expiry of 15 (fifteen) minutes from the scheduled time of the Annual General Meeting. Shareholders / Members with >2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chair Persons

of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors etc. may be allowed to the meeting without restrictions of first-come-first serve basis.

- iii. Shareholders/ Members will be provided with INSTAMEET facility wherein Shareholders/ Members shall register their details and attend the Annual General Meeting as under:

- (i) Open the internet browser and launch the URL for InstaMeet <https://instameet.linkintime.co.in> and register with your following details:

- a. DP ID / Client ID or Beneficiary ID or Folio No.: Enter your 16 digit DP ID / Client ID or Beneficiary ID or Folio Number registered with the Company
- b. PAN: Enter your 10 digit Permanent Account Number (PAN)
- c. Mobile No.
- d. Email ID

- (ii) Click "Go to Meeting"

- iv. Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.
- v. Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.
- vi. Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- vii. In case the shareholders/members have any queries or issues regarding e-voting, you can write an email to instameet@linkintime.co.in or contact Tel : (022-49186175)

(2) Instructions for shareholders / members intending to register themselves as speakers during Annual General Meeting:

- i. Shareholders/ Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, email id, mobile number at cs@huvl.in , atleast before 48 hours prior to the date of AGM.
- ii. Those shareholders/members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the Annual General Meeting.



- iii. Shareholders/ Members should allow to use camera and are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.
- iv. Shareholders/ Members, who would like to ask questions, may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@huvl.in. The same will be replied by the company suitably.

(3) Instructions for shareholders/members to vote during the annual general meeting through INSTAMEET:

Once the electronic voting is activated by the scrutinizer/moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote".
2. Enter Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMeet and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/ Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022- 49186175 (InstaMeet Support Desk, Link Intime India Private Limited).

22. Mr. CS Umesh Kumar, Practicing Company Secretary (Membership No. ACS: 21567) (Address: Office No.301, Sagar Plaza-II, 2nd Floor, Plot No.27, Behind M2K Cinema, DDA Complex, Near Rani Baug, Road No.44, Pitampura, New Delhi 110034) has been appointed as the Scrutinizer to scrutinize the entire voting process in a fair and transparent manner. Scrutinizer's email address is: csumesh07@gmail.com
23. The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date.
24. A person, whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the depositories as on the cut-off date only, shall be entitled to avail the facility of remote e-voting or for voting at the AGM. A person, who is not a member as on the cutoff date, should treat the Notice for information purpose only.
25. The Scrutinizer shall, after the conclusion of e-voting at the AGM, scrutinize the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting and shall submit, within 48 working hours from the conclusion of the AGM, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him or Board of Directors, who shall countersign the same and declare the result of the voting forthwith.
26. The voting results shall be displayed in the prescribed format on the Notice Board of the Company at its Registered Office as well as the Head Office/ Corporate Office. The voting results declared along with the report of the Scrutinizer shall also be placed on the website of the Company, viz. www.huvl.in and on the website of LI IPL immediately after the declaration of results by the Chairman or a person authorized by him/ Board of Directors in writing. The voting results shall also be forwarded to the Stock Exchanges on which the shares of the Company are listed i.e. BSE Limited & National Stock Exchange of India Limited.
27. Members can avail of the nomination facility by filing Form SH-13, as prescribed under Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, with the company. This forms is available on the website of the Company viz., www.huvl.in

By Order of the Board of Directors
for **HEADS UP VENTURES LIMITED**
(Formerly The Mandhana Retail Ventures Limited)

Hansraj Rathor
Managing Director
DIN: 07567833

Registered Office:
Plot No. E-132, M.I.D.C.,
Tarapur Industrial Area,
Boisar, Dist. Palghar - 401 506

Place : Mumbai
Date : 13th August, 2024

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**Item Nos. 3:**

Due to casual vacancy caused on account of resignation of erstwhile Statutory Auditor, M/s. Ram Agarwal & Associates, the Board of Directors at its meeting held on 13th June, 2024, subject approval of the members at the Annual General Meeting, have appointed M/s. J. Singh & Associates, Chartered Accountants, (Firm Registration Number: 110266W), as the Statutory Auditors of the Company to hold office from 1st April, 2024 until the conclusion of this Annual General Meeting. The resignation of the erstwhile Statutory Auditor, M/s. Ram Agarwal & Associates, was caused due to lack of consensus on the going concern status of the Company in view of the prevailing business conditions of the Company during the FY 2023-24.

M/s. J. Singh & Associates, a registered Partnership Firm, was established in the year 1978. Today the firm has grown and consolidated its position in the financial arena to become one of the prominent accounting firms in India having 17 branch offices located across the country having its head office at centre of Mumbai. It possesses wide and diversified experience in the various fields relating to Forensic Audit & Fraud Investigation, Corporate Audit under the Companies Act and Corporate Accounting, Tax Audit, Internal Audit, Audit under RBI and SEBI regulations, incorporation of companies, merger, acquisition and strategic alliance, International Taxation advising, setting up of Internal Control and Management Information System, ERP implementation.

In view of the above and based on recommendation of the Audit Committee, the Board proposes and recommends that M/s. J. Singh & Associates, Chartered Accountants, (Firm Registration No.110266W) be appointed as the Statutory Auditor of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 16th Annual General Meeting to be held in the calendar year 2027. M/s. J. Singh & Associates, Chartered Accountants, have conveyed their consent to be appointed as the Statutory Auditors of the Company along with a confirmation that, their appointment, if made by the Members, would be within the limits prescribed under the Act.

Pursuant to the recommendations of the Audit Committee, the Board has, subject to approval of the Members, authorized any of its Executive Directors to fix the remuneration payable to M/s. J. Singh & Associates, Chartered Accountants, plus applicable taxes and re-imbursalment of out-of pocket expenses, if any, incurred by them for audit purpose. The proposed fee to M/s. J. Singh & Associates for their services for FY 2024-25 is Rs.2 Lakh. The fees that would be paid to M/s. J. Singh & Associates, Chartered Accountants, would be significantly lower as compared to the fees that was paid to M/s. Ram Agarwal & Associates, erstwhile Statutory Auditor, consequently reducing the overall cost burden of the Company. Your Board recommends passing of the Ordinary Resolution specified in Item No. 3 of the accompanying Notice.

Item No.4

In accordance with the applicable provisions of the Companies Act, 2013 read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 ("the Act") and pursuant to the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

("Listing Regulations"), the approval of the members of the Company is sought by way of Ordinary Resolution, for the appointment of Non-Executive Non- Independent Director of the Company.

In terms of Section 161(1) of the Act and pursuant to the recommendation of the Nomination & Remuneration Committee, Mr. Ronak Pankajbhai Sheth has been appointed as an Additional Non-Executive Non-Independent Director on the Board of the Company with effect from 13th June, 2024 to hold office till the conclusion of the ensuing 13th Annual General Meeting and the Board, further approved Mr. Sheth's appointment as a Non-Independent Director of the Company w.e.f. 13th June, 2024, subject to the approval of the members of the Company, which has to be sought by way of passing ordinary resolution.

Mr. Sheth has consented to his appointment with effect from 13th June, 2024. In terms of Regulation 25(8) of Listing Regulations, he has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. Mr. Sheth has also confirmed that on his appointment, he shall be complying with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

Copy of the draft letter for the appointment of Mr. Sheth setting out the terms and conditions, is available for inspection without any fee by the members, in manner as provided in the notes to the accompanying notice.

Brief profile of Mr. Sheth who is proposed to be appointed as Non-Independent Director as required under Secretarial Standard on General Meeting ('SS-2') and Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, is given herein at Annexure -A.

The Board, after considering the knowledge, acumen, expertise and experience of Mr. Sheth in the areas of consultancy services various entities in the areas of financial management & taxation for more than 18 years, considers that the association of Mr. Sheth would be of immense benefit to the Company. Accordingly, the Board recommends the resolution set forth in Item No. 4 for the approval of the Members as a Ordinary Resolution.

Except Mr. Sheth and his relatives, none of the Directors, Key Managerial Personnel of the Company and/or their relatives is in any way concerned or interested, financially or otherwise, in the aforesaid Resolutions.

Item No.5

In accordance with the applicable provisions of the Companies Act, 2013 read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 ("the Act") and pursuant to the applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the approval of the members of the Company is sought by way of Special Resolution, for the appointment of Independent Director of the Company.



Notice (Contd.)

In terms of Section 161(1) of the Act and pursuant to the recommendation of the Nomination & Remuneration Committee, Mr. Bharatkumar M. Mundra has been appointed as an Additional Non-Executive Independent Director on the Board of the Company with effect from 13th June, 2024 to hold office till the conclusion of the ensuing 13th Annual General Meeting and the Board, further approved Mr. Mundra's appointment as an Independent Director of the Company for a term upto 5 (five) consecutive years w.e.f. date of conclusion of this Annual General Meeting until the conclusion of the 18th Annual General Meeting, subject to the approval of the members of the Company, which has to be sought by way of passing special resolution.

In terms of the provisions of Section 149(13) of the Act, an Independent Director is not liable to retire by rotation and accordingly, his tenure as an Independent Director of the Company shall not be liable to retire by rotation.

Mr. Mundra has consented to his appointment for a term of 5 (five) years w.e.f. the date of his appointment and has submitted declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the Listing Regulations to the Board. In terms of Regulation 25(8) of Listing Regulations, he has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. Mr. Mundra has also confirmed that on his appointment, he shall be complying with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs. Based on the said declarations submitted by Mr. Mundra, the Board has opined that he is independent from the Management of the Company.

Copy of the draft letter for the appointment of Mr. Mundra setting out the terms and conditions, is available for inspection without any fee by the members, in manner as provided in the notes to the accompanying notice.

Brief profile of Mr. Mundra who is proposed to be appointed as Independent Director as required under Secretarial Standard on General Meeting ('SS-2') and Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, is given herein at Annexure -A.

The Board, after considering the knowledge, acumen, expertise and experience of Mr. Mundra in the areas of Audits & taxation, ROC matters, considers that the association of Mr. Mundra would be of immense benefit to the Company. Accordingly, the Board recommends the resolution set forth in Item No 5 for the approval of the Members as a Special Resolution.

Except Mr. Mundra and his relatives, none of the Directors, Key Managerial Personnel of the Company and/or their relatives is in any way concerned or interested, financially or otherwise, in the aforesaid Resolutions.

By Order of the Board of Directors
for **HEADS UP VENTURES LIMITED**

Hansraj Rathor
Managing Director
DIN: 07567833

Registered Office:

Plot No. E-132, M.I.D.C.,
Tarapur Industrial Area,
Boisar, Dist. Palghar - 401 506

Place : Mumbai

Date : 13th August, 2024

ANNEXURE - A

Disclosure as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on general meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

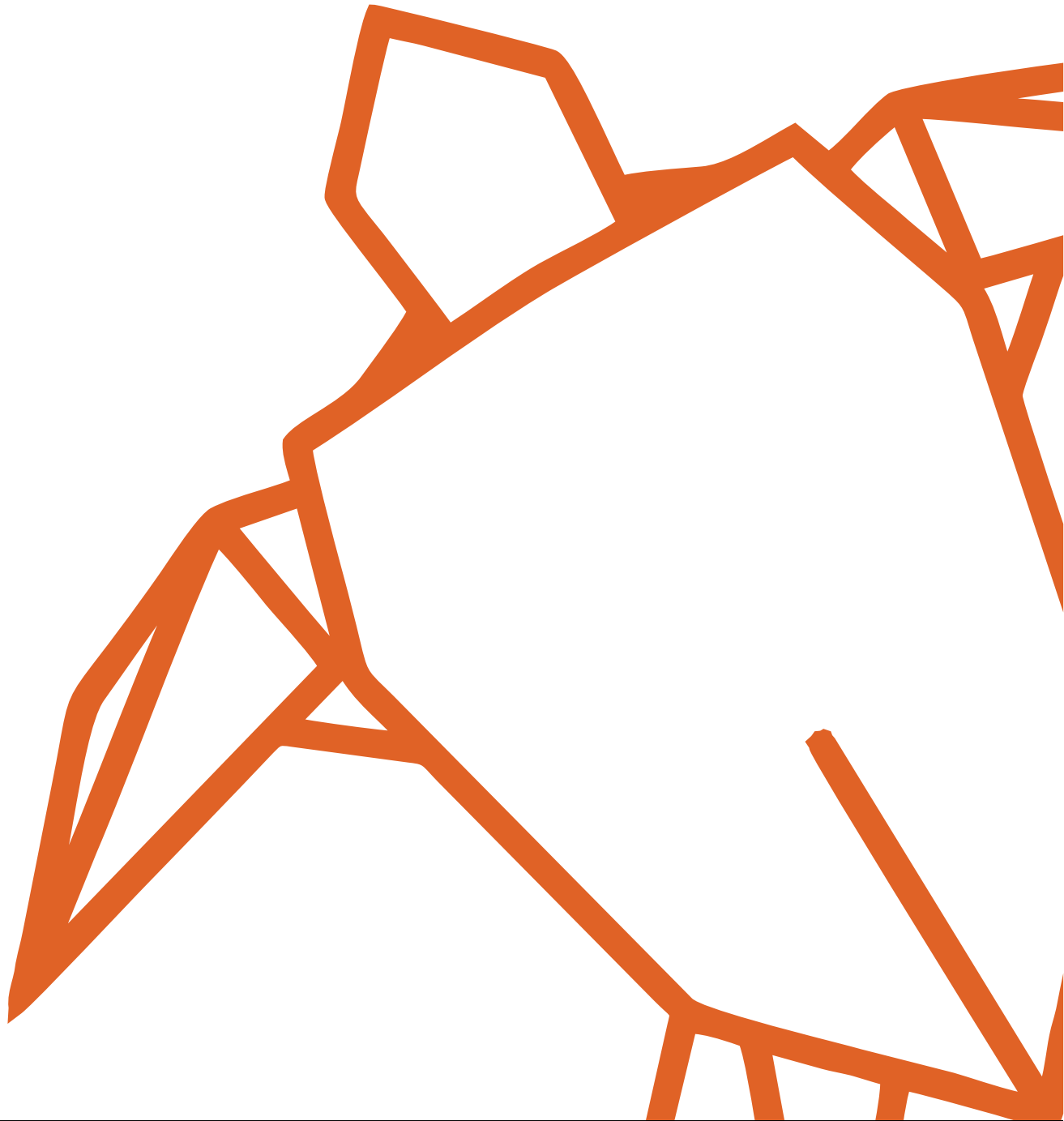
| Particulars | Details | | |
|--|---|---|--|
| Name | Mr. Hansraj Rathor | Mr. Ronak Pankajbhai Sheth | Mr. Bharatkumar M. Mundra |
| Date of Birth and Age | 14/05/1968 56 years | 09/06/1984 40 years | 23/06/1982 42 years |
| DIN | 07567833 | 08237390 | 02281916 |
| Nationality | Indian | Indian | Indian |
| Date of first appointment on the Board | 1 st February, 2024 | 13 th June, 2024 | 13 th June, 2024 |
| Brief profile of the Director | <p>He is Certified Public Accountant (CPA) and Fellow Company Secretary (FCS) having worked in various industries for more than 25 years. He have worked with multinational Companies like Mc Donald's, Toyota, Kirloskar, DIC and Indian business houses Jindal Aluminium and Paramount Cosmetics (India) in the field of Compliance, Controls, Cost Management, Taxation and Finance Functions at the top most positions like Head of Finance and Compliance, CFO and Company Secretary of Listed Companies. He was project leader for Toyota's Transmission Project in India. He was leader of the team in DIC for migrating to SAP in all DIC factories in South East Asia. His Immediate past position was Executive Director, CFO and Company Secretary of Indus Fila Limited</p> | <p>He is FCA, DISA and is engaged in practice as Chartered Accountant and is providing consultancy services to various entities in the areas of financial management, and taxation for more than 18 years.</p> | <p>He is FCA, DISA and is engaged in practice as Chartered Accountant and is providing services to various entities in the areas of accounting, audit and taxation consultancy for more than 20 years.</p> |
| Terms and conditions of appointment | <p>Appointed as an Additional Executive Director with effect from 1st February, 2024 on the Board and appointment as Managing Director of the Company for a period of three years with effect from 1st February, 2024, subject to approval of the Shareholders</p> | <p>Appointment as an Additional Director designated as Non-Executive Director of the Company, whose office shall be liable to retire by rotation and who shall hold office with effect from 13th June, 2024, in terms of Section 161 of the Companies Act, 2013, subject to the approval of the shareholders</p> | <p>Appointment as Additional Non-Executive and Independent Director of the Company, whose office shall not be liable to retire by rotation and who shall hold office as Independent Director for a term of Five (5) years commencing from 13th June, 2024 upto 13th June 2029, subject to the approval of the Shareholders</p> |
| Nature of expertise in specific functional areas | <p>Compliance, Controls, Cost Management, Taxation and Finance Functions</p> | <p>Consultancy services in the areas of financial management and taxation</p> | <p>Consultancy services in the areas of accounting, audit and taxation</p> |
| The skills and capabilities required for the role and the manner in which the proposed person meets such requirements | <p>Comprehensive knowledge of Corporate Laws and Compliances, Financial Management, Strategic thinking</p> | <p>In-depth knowledge of Financial analysis, risk management, understanding of Corporate Laws</p> | <p>Analysis of Financials and understanding of Corporate Laws, Taxation, Strategic thinking</p> |
| Number of Board meetings attended during the financial year (2023-24) | 1 | N.A. | N.A. |



| Particulars | Details | | |
|--|---|--|---|
| Inter-se Relationship between Directors | Except the remuneration that is paid to Mr. Hansraj Rathor as Managing Director, Mr. Rathor does not have any pecuniary relationship with the Company. Mr. Rathor not belong to the Promoter Group of the Company. | Besides the sitting fees that would be paid for attending the Board and Committee Meetings of the Company, Mr. Ronak Pankajbhai Sheth does not have any pecuniary relationship with the Company. He is not related to any Director, Manager or KMP. | Besides the sitting fees that would be paid for attending the Board and Committee Meetings of the Company, Mr. Bharatkumar M. Mundra does not have any pecuniary relationship with the Company. He is not related to any Director, Manager or KMP. |
| Directorship held in other companies (excluding foreign companies & section 8 companies) | Nil | Nil | Nil |
| Membership/ Chairmanships of Audit Committee and Stakeholders' Relationship Committee of other public Companies: | Nil | Nil | Nil |
| Listed entities from which the person has resigned in the past three years | Nil | Nil | Nil |
| No. of Shares held in the Company (by Director himself, including shareholding as a beneficial owner, singly or jointly as first holder) as on date | Nil | Nil | Nil |
| Information as required pursuant to BSE circular ref no. LIST/ COMP/ 14/ 2018-19 and the National Stock Exchange of India Limited with ref no. NSE/ CML/2018/24,dated June 20, 2018 | Not debarred from holding the office of director pursuant to any SEBI order or any such authority. | Not debarred from holding the office of director pursuant to any SEBI order or any such authority. | Not debarred from holding the office of director pursuant to any SEBI order or any such authority. |



Heads UP Ventures Limited



**ANNUAL REPORT
2023-24**

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Cautionary Statement:

In this Annual Report, we have disclosed forward looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements – written and oral – that we periodically make, contain forward looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Pravin Navandar[@]
Non-executive and Independent Director

Mr. Abhijit Salian[€]
Non-executive and Independent Director

Mr. Sudhir Kumar Arya^{*}
Non-executive and Independent Director

Ms. Neeraj Bala[†]
Non-executive and Independent Director

Mr. Bharatkumar M. Mundra[#]
Non-Executive and Independent Director

Mr. Ronak Pankajbhai Sheth[‡]
Non-Executive and Non-Independent Director

Mr. M.V.P. Hanumantha Rao[§]
Non-executive and Independent Director

Mr. Vipinraj Paiyapilly[¶]
Non-executive and Independent Director

Mr. Roshan More^{||}
Non-executive and Independent Director

Mrs. Sangeeta Mandhana[®]
Managing Director

Mr. Priyavrat Mandhana[£]
Non - Executive Director

Mr. Hansraj Rathor^²
Managing Director

BOARD COMMITTEES

Audit Committee

Mr. Pravin Navandar[@] - Chairman

Mr. Sudhir Kumar Arya (Member from 27.03.2024 and Chairman from 13.06.2024)

Mr. Bharatkumar M. Mundra[#] (from 13.06.2024) - Member

Mr. MVP Hanumantha Rao[§] - Member

Mr. Abhijit Salian[€] - Member

Mr. Priyavrat Mandhana[£] - Member

Mr. Hansraj Rathor (from 13.06.2024) - Member

Nomination & Remuneration Committee

Mr. Pravin Navandar[@] - Chairman

Mr. Sudhir Kumar Arya (Member from 27.03.2024 and Chairman from 13.06.2024)

Mr. Vipinraj Paiyapilly[¶]

Mr. Abhijit Salian[€]

Ms. Neeraj Bala (from 27.03.2024)

Mr. Hansraj Rathor (from 13.06.2024)

Stakeholders Relationship Committee

Mr. Vipinraj Paiyapilly[¶] - Chairman

Ms. Neeraj Bala (from 27.3.2024) - Chairperson

Mr. Priyavrat Mandhana[£] - Member

Mr. Bharatkumar M. Mundra[#] - Member

Mr. Hansraj Rathor^² (from 13.06.2024) - Member

Management Committee

Mrs. Sangeeta Mandhana[®] - Chairperson

Mr. Hansraj Rathor (from 27.03.2024) - Chairman

Mr. Priyavrat Mandhana[£] - Member

Mr. Pravin Navandar[@] - Member

Mr. Abhijit Salian[€] (from 25th May, 2023) - Member

Mr. Abhishek Bariyaar (upto 31st August, 2023) - Member

Ms. Neeraj Bala (from 27.03.2024)

Mr. Sudhir Kumar Arya (from 13.06.2024)

KEY MANAGERIAL PERSONNEL

Mrs. Sangeeta Mandhana - Managing Director (upto 31st January, 2024)

Mr. Priyavrat Mandhana (upto 31st May, 2023)

Mr. Abhishek Bariyaar (upto 31st August, 2023)

Mr. Hansraj Rathor^² - Managing Director (from 1st February, 2024)

Mr. Vishal Parikh - Chief Financial Officer (upto 15th May, 2024)

Mrs. Aishwarya Gupta - Company Secretary (upto 15th May, 2024)

STATUTORY AUDITORS

M/s. J. Singh & Associates (from 13.06.2024)
Chartered Accountants

M/s. Ram Agarwal & Associates (upto 15th May, 2024)
Chartered Accountants

INTERNAL AUDITORS

M/s. MJPT & Co. LLP
Chartered Accountants

SOLICITORS

M/s. Crawford Bayley & Co.
Advocates & Solicitors

SECRETARIAL AUDITOR

Ms. Shreya Shah- Practicing Company Secretary

BANKERS

ICICI Bank Limited

Corporation Bank

State Bank of India

REGISTRAR AND SHARE TRANSFER AGENTS

Link Intime India Private Limited (Unit: Heads UP Ventures Limited)
C-101, 247 Park,
LBS Marg, Vikhroli (W),
Mumbai 400 083
Tel: 91-22-49186000
Fax: 91-22-49186060
E-mail: mumbai@linkintime.co.in

Registered Office

Plot No. E-132, M.I.D.C,
Tarapur Industrial Area,
Boisar, Dist. Palghar - 401 506
E-mail: cs@huvl.in
Website: www.huvl.in

* From 27th March, 2024

From 13th June, 2024

@ Upto 16th July, 2024

§ Upto 31st May, 2023

¶ Upto 31st January, 2024

£ Upto 23rd May, 2024

² From 1st February, 2024

€ Upto 23rd March, 2024

© From 26th March, 2024

|| From 1st April, 2024

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 13th Annual Report and the Audited Accounts of the Company for the year ended 31st March, 2024.

1. FINANCIAL HIGHLIGHTS

(Rupees in Lakh)

| Particulars | 2023-2024 | 2022-2023 |
|---|-----------------|-----------------|
| Total Turnover | 62.80 | 73.21 |
| Other Income | 16.16 | 77.86 |
| Profit Before Interest, Depreciation and Taxation | (426.30) | (921.88) |
| Less: 1. Interest | - | 49.23 |
| 2. Depreciation | 5.49 | 3.88 |
| Profit Before Taxation | (431.79) | (974.97) |
| Less: Provision for Taxation | - | - |
| Current Tax | - | - |
| Deferred Tax | - | - |
| Net Profit for the Year | (431.79) | (974.97) |
| Less: Income Tax paid for earlier year | - | (9.45) |
| Profit after Taxation | (431.79) | (965.52) |
| Add : Other Comprehensive Income for the Year | 10.20 | (3.52) |
| Total Comprehensive Income for the year | (421.59) | (962.00) |
| Less: Transfer to General Reserve | - | - |
| Balance carried forward | (421.59) | (962.00) |

Note: Figures in brackets represent negative number.

2. COMPANY PERFORMANCE AND BUSINESS OVERVIEW

A detailed discussion of operations for the year ended 31st March, 2024 is provided in the Management Discussion and Analysis Report, which is presented in a separate section forming part of this Annual Report.

3. CHANGE IN NATURE OF BUSINESS

There has been no change in the nature of business of the Company during the financial year under review.

5. DIVIDEND

In view of losses, the Board of Directors ('Board') of your company does not recommend dividend for the year under review.

6. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Since there are no declared dividends remaining unpaid or unclaimed for a period of 7 (seven) years from the date of its transfer to unpaid dividend account, the Company is not required to transfer the same to Investor Education and Protection Fund pursuant to the provisions of Section 124 of the Act and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules). The Company has transferred ₹ 15,595/-, the sale proceeds of fractional shares, to the IEPF account of the Central Government on 16th February, 2024 pursuant to the provisions of section 124(6) of the Companies Act,

2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

7. TRANSFER TO RESERVE

The Company does not propose to transfer amounts to the general reserve for the financial year 2023-2024.

8. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments have occurred after the close of the financial year till the date of this report, which affect the financial position of the Company.

9. REPORT ON CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Reports on Corporate Governance and Management Discussion and Analysis, in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), along with a certificate from Auditors regarding compliance of the Corporate Governance are given separately in this Annual Report.



DIRECTORS' REPORT (Contd.)

All Board Members and Senior Management Personnel have affirmed compliance with the code of conduct for the financial year 2023-2024. A declaration to this effect signed by the Managing Director of the Company is contained in this annual report.

10. PUBLIC DEPOSIT

Your Company has not accepted any Public Deposits under Chapter V of the Companies Act, 2013.

11. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

A. APPOINTMENT/RE-APPOINTMENT AT AGM

In accordance with the provisions of the Companies Act, 2013 ("Act") and the Articles of Association of Company, Mr. Hansraj Rathor, retires by rotation and being eligible, offers himself for re-appointment. Brief details of Mr. Hansraj Rathor as required under Regulation 36(3) of Listing Regulations are provided as an annexure to the notice of the ensuing 13th Annual General Meeting.

B. APPOINTMENT/ RESIGNATION DURING THE FINANCIAL YEAR

During the year under review, Mr. MVPH Rao has resigned from the directorship of the Company w.e.f. 31st May, 2023 due to other pre-occupation. Mr. Abhijit Salian and Mr. Vipinraj Paiyapilly has also resigned as a Director of the Company w.e.f. 23rd March, 2024 and 26th March, 2024 respectively due to other pre-occupation. On 1st April, 2024, Mr. Roshan More, has resigned from the directorship of the Company due to other pre-occupation. The Board recorded the appreciation for the contributions made by Mr. Rao, Mr. Salian, Paiyapilly, and Mr. More during their tenure as Directors of the Company.

The Members of the Company have appointed Mrs. Neeraj Bala (DIN 07193192) and Mr. Sudhir Kumar Arya (DIN 02414512) as Non-Executive & Independent Directors on the Board of the Company with effect from 27th March, 2024, for a term of five years till 26th March, 2029 through postal ballot, the result of which was declared on 28th April, 2024.

The Members of the Company have appointed Mr. Hansraj Rathor as the Managing Director of the Company, for a period of 3 (three) years effective from 1st February 2024 to 31st January, 2027 through a postal ballot, the result of which was declared on 28th April, 2024.

On 25th May, 2023, the Board, on the recommendation of the Nomination and Remuneration Committee, has re-designated Mr. Priyavrat Mandhana from "Executive Director" to "Non-Executive Director" of the Company w.e.f. 1st June, 2023 till the remaining term i.e. up to 31st August, 2025.

C. INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors of the Company, confirming

that they meet the criteria of independence as prescribed under the Section 149(6) of the Act and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As per the Companies (Appointment and Qualifications of Directors) Fifth Amendment Rules, 2019, all the Independent Directors of the Company have registered with the Indian Institute of Corporate Affairs for inclusion of their names in the comprehensive depository maintained by the Ministry of Corporate Affairs.

Familiarization Program for Independent Directors

All Independent Directors are familiarized with the operations and functioning of the Company. The details of the training and familiarization program are provided in the Corporate Governance Report forming part of this Report.

D. KEY MANAGERIAL PERSONNEL

Mrs. Sangeeta Mandhana had resigned from the post of Managing Director of the Company w.e.f. 31st January, 2024. The Board recorded the appreciation for the contributions made by Mrs. Mandhana during her tenure with the Company.

On 1st February, 2024, Mr. Hansraj Rathor was appointed as the additional Executive Director and Managing Director of the Company subject to the approval of Shareholders. The Members of the Company have appointed Mr. Hansraj Rathor as the Managing Director of the Company, for a period of 3 (three) years effective from 1st February 2024 to 31st January, 2027 through a postal ballot, the result of which was declared on 28th April, 2024.

Mr. Abhishek Bariyar has resigned from the post of Chief Operating Officer (KMP) of the Company w.e.f. 31st August, 2023. The Board recorded the appreciation for the contributions made by Mr. Bariyar during his tenure with the Company.

As on 31st March, 2024, Mr. Hansraj Rathor, Managing Director; Mr. Vishal Parikh, Chief Financial Officer and Ms. Aishwarya Gupta, Company Secretary & Compliance Officer serves as the Key Managerial Personnel of the Company.

E. BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees, and individual directors pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations. The Company has implemented a system of evaluating performance of the Board of Directors and of its Committees and individual Directors on the basis of a structured questionnaire which comprises evaluation criteria taking into consideration various performance related aspects.

The Company's Independent Directors met on 22nd March, 2024 without the presence of Executive Directors or Members of the Management. The

DIRECTORS' REPORT (Contd.)

Independent Directors thereafter reviewed the performance of Mr. Hansraj Rathor, Managing Director of the Company. The Independent Directors jointly expressed their opinion that Mr. Hansraj Rathor should prioritize the business strategies. He should make efforts to retrieve the Company's funds that are currently obstructed and the funds should be appropriately allocated to facilitate the growth of the Company.

F. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year, 5 (Five) Board Meetings were convened and held.

Details of meetings of the Board and its Committees along with the attendance of the Directors therein, have been disclosed in the Corporate Governance Report (annexed herewith).

G. COMMITTEES OF THE BOARD

With a view to have a more focused attention on various facets of business and for better accountability, the Board has constituted various committees. The statutorily mandated committees constituted under the provisions of the Act and Listing Regulations are Audit Committee, Nomination and Remuneration Committee, and Stakeholders Relationship Committee.

The Committees have been mandated to operate within their terms of reference, approved by the Board to focus on specific issues and ensure expedient resolution on diverse matters.

During the year under review, the Corporate Social Responsibility Committee of the Board of Directors was dissolved due to continuing losses from past years.

J. REMUNERATION TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

- i. The percentage increase in remuneration of each Director, Chief Executive Officer and Company Secretary during FY 2023-2024 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for FY 2023-2024 are as under:

| Sr. No. | Name of Director /KMP and Designation | % increase in remuneration in FY 2023-2024 | Ratio of remuneration of each Whole-Time Director to Median Remuneration of Employees |
|---------|---|--|---|
| 1 | Mrs. Sangeeta Mandhana- Managing Director ⁴ | 0 | 9.13 |
| 2 | Mr. Priyavrat Mandhana - Executive Director ¹ | 0 | N.A. |
| 3 | Mr. Hansraj Rathor ⁵ | N.A. | 0.26 |
| 3 | Mrs. Neeraj Bala - Non-Executive and Independent Director ³ | N.A. | N.A. |
| 4 | Mr. Sudhir Kumar Arya - Non-Executive and Independent Director ³ | N.A. | N.A. |
| 5 | Mr. MVPH Rao- Non-Executive and Independent Director ² | N.A. | N.A. |
| 6 | Mr. Pravin Navandar - Non-Executive and Independent Director | N.A. | N.A. |
| 7 | Mr. Abhijit Salian – Non-Executive and Independent Director ² | N.A. | N.A. |
| 8 | Mr. Vipinraj Paiyapilly - Non-Executive and Independent Director ² | N.A. | N.A. |
| 10 | Mr. Abhishek Bariyar – Chief Operating Officer ⁶ | N.A. | N.A. |
| 12 | Ms. Aishwarya Gupta - Company Secretary | 40% | 0.99 |
| 13 | Mr. Vishal Parikh- Chief Financial Officer | 23% | 2.87 |

The composition, committee meeting held, terms of reference and other details of the above-mentioned committees are provided in the Corporate Governance Report forming part of this Report.

H. VIGIL MECHANISM / WHISTLE BLOWER POLICY FOR DIRECTORS AND EMPLOYEES

The Company has established a Vigil Mechanism, which includes a Whistle Blower Policy, for its Directors and Employees, to provide a framework to facilitate responsible and secure reporting of concerns of unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics.

No Director/employee has been denied access to the Audit Committee of the Board of Directors. The Policy as approved by the Board may be accessed on the Company's website and the web-link to the same is <https://huvl.in/codes-of-conduct/11-policy-on-vigil-mechanism-whistle-blower-mechanism/>

I. NOMINATION AND REMUNERATION POLICY

The Board of Directors has formulated a Policy which lays down a framework for selection and appointment of Directors and Senior Management and for determining qualifications, positive attributes and independence of Directors.

The Policy also provides for the remuneration of Directors, Members of Senior Management, and Key Managerial Personnel.

The salient features of the Nomination and Remuneration Policy are given under Annexure - 'A' to this Report and the detailed policy is available on the website of the Company at <https://huvl.in/codes-of-conduct/8-nomination-and-remuneration-policy/>



DIRECTORS' REPORT (Contd.)

¹ Designation of Mr. Priyavrat Mandhana has changed from Executive Director to Non-Executive Director of the Company w.e.f. 1st June, 2023.

² Mr. Abhijit Salian and Mr. Vipinraj Paiyapilly resigned from the position of Non-Executive and Independent Directors of the Company w.e.f. 23rd March, 2024 and 26th March, 2024 respectively. Mr. Roshan More resigned from the position of Non-Executive and Independent Director of the Company w.e.f. 1st April, 2024. Mr. MVPH Rao resigned from the position of Non-Executive and Independent Director of the Company w.e.f. 31st May, 2023.

³ Mrs. Neeraj Bala and Mr. Sudhir Kumar Arya were inducted into the Board as Non-Executive and Independent Directors of the Company w.e.f. 27th March, 2024.

⁴ Mrs. Sangeeta Mandhana has resigned from the post of Managing Director w.e.f. 31st January, 2024.

⁵ Mr. Hansraj Rathor was appointed as the Managing Director w.e.f. 1st February, 2024.

⁶ Mr. Abhishek Bariyar has resigned from the post of Chief Operating Officer of the Company w.e.f. 31st August, 2023.

There was a revision in remuneration during the FY 2023-24.

Note: Remuneration paid to each Whole-Time Director and KMP includes Salary, allowances, company's contribution to provident fund and monetary value of perquisites, if any. The remuneration paid to Non-Executive and/or Independent Directors comprises of sitting fees only.

- | | |
|---|--|
| <p>ii. The median remuneration of employees of the Company during FY 2023-2024 was Rs. 7.72 Lakh per annum;</p> <p>iii. In the financial year under review, there was an increase of 40 % in the median remuneration of employees;</p> <p>iv. There were 12 permanent employees on the rolls of the Company as of 31st March, 2024;</p> <p>v. Average percentage increase in the salaries of employees other than the managerial personnel in the last financial year i.e. FY 2023-24 was decreased by 25% as compared to FY 2022-23. As regards the comparison of Managerial Remuneration of FY 2023-24 over FY 2022-23, details of the same are given in the above table at sr. no. (i);</p> | <p>vi. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel, and other Employees.</p> <p>Details of employee remuneration as required under provisions of Section 197 of the Companies Act, 2013 and Rules 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in a separate statement and forms part of the Annual Report. Further, this report is being sent to the Members excluding the said statement. The said statement is available for inspection of members upto the date of the Annual General Meeting and shall be made available to any shareholder on request made to the Company Secretary at cs@huvl.in.</p> |
|---|--|

12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

There was no Guarantee or investment made by the Company during the FY 2023-24. The balance of loans, guarantees and investments covered under the provisions of Section 186 of the Act as on 31st March, 2024, (INTER CORPORATE LOANS) are provided below:

| Particulars of Investment made Guarantee given and loan given | Name of the Entity | As on | | Purpose for which Loan, Guarantee is proposed to be utilised by the recipient |
|---|---|---|---|---|
| | | 31 st March, 2023 (₹ in Crores) | 31 st March, 2024 (₹ in Crores) | |
| Inter Corporate Loan | Pro Fin Capital Services Limited | 0 | 6,19,50,000/- | General Corporate Purpose |
| Inter Corporate Loan | Milgrey Finance and Investments Limited | 0 | 1,30,00,000/- | General Corporate Purpose |

13. RELATED PARTY TRANSACTIONS

During the year under review, all related party transactions entered into by the Company were approved by the Audit Committee and were at arm's length and in the ordinary course of business. Prior omnibus approval is obtained for related party transactions which are of a repetitive nature and entered in the ordinary course of business and on an arm's length basis. The Company did not have any contracts or arrangements with related

parties in terms of Section 188(1) of the Companies Act, 2013. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for FY2023-24 and hence does not form part of this report. Suitable disclosure as required by the Accounting Standard (AS 18) has been made in the notes to the Financial Statements.

DIRECTORS' REPORT (Contd.)

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed through the following link: <https://huvl.in/codes-of-conduct/>. Your Directors draw the attention of the members to Note No.30 to the financial statements which sets out related party disclosures including Transactions, if any, with a person or entity belonging to the promoter/ promoter group which hold (s) 10% or more shareholding in the Company.

14. DISCLOSURE UNDER THE PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT:

The Company has adopted a Sexual Harassment Policy on prevention, prohibition, and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The aim of the policy is to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The Policy is available at the Registered Office of the Company and is accessible to all the employees of the Company. The Company has not received any complaint during the Financial Year under review.

15. AUDITORS

A. STATUTORY AUDITORS AND THEIR REPORT

M/s. Ram Agarwal & Associates, Chartered Accountants, (Firm Registration No. 140954W), were appointed as the Statutory Auditors of the Company for a tenure of 5 years commencing from the conclusion of the 10th AGM of the Company until the conclusion of the 15th AGM of the Company to be held in the calendar year 2026.

The Statutory Auditor has given a disclaimer opinion on the financial statements of the Company for the financial year 2023-2024 for the going concern status of the Company.

The Notes to the financial statements referred in the Auditors Report are self-explanatory and therefore do not call for any comments under Section 134 of the Companies Act, 2013. The Auditors' Report is enclosed with the financial statements in this Annual Report.

B. SECRETARIAL AUDITORS AND THEIR REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013, and the Rules made thereunder the Company has appointed Ms. Shreya Shah, Practising Company Secretary (Certificate of Practice No. 15859 and Membership No. FCS- 39409) as the Secretarial Auditor of the Company. The Secretarial Audit Report is annexed as Annexure - 'B' and forms an integral part of this Report. The Company has complied with all the applicable secretarial standards.

The Secretarial Audit Report does not contain any other qualification, reservation or adverse remark. The other statements referred in the Secretarial Audit Report are self-explanatory and therefore do not call for any comments under Section 134 of the Companies Act, 2013.

C. INTERNAL AUDITORS AND THEIR REPORT

M/s. MJPT & Co. LLP, Chartered Accountants, Internal Auditors of the Company have carried out the Internal Audit for FY 2023-24. The Internal Auditor submits their reports to the Audit Committee on periodic basis. Based on the report of Internal Audit, the management undertakes corrective action in their respective areas and thereby strengthens the controls.

D. COST RECORDS AND COST AUDIT

Maintenance of cost records and requirements of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

E. REPORTING OF FRAUDS

There were no instances of fraud during the year under review, requiring reporting by the auditors to the Audit Committee and/or Board under Section 143(12) of the Act and Rules framed thereunder.

16. CORPORATE SOCIAL RESPONSIBILITY

During the year under review, the provisions of Section 135 of the Act were not applicable to the Company.

17. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company has no subsidiary, Joint Venture and Associate Company as of 31st March, 2024.

18. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There are no significant and material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status and the Company's future operations.

19. ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has adequate internal financial controls in place with reference to financial statements. These are continually reviewed by the Company to strengthen the same wherever required. The internal control systems are supplemented by internal audit carried out by an independent firm of Chartered Accountants and periodical review by the Management. The Audit Committee of the Board addresses issues raised by both, the Internal Auditors and the Statutory Auditors.

20. RISK MANAGEMENT

The Company has an elaborate risk policy defining the risk management governance model, risk assessment, and Prioritization process. The risk management framework provides an integrated approach for identifying, assessing, mitigating, monitoring and



DIRECTORS' REPORT (Contd.)

reporting of all risks associated with the business of the Company. The Audit Committee has additional oversight in the area of financial risks and controls.

21. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under sub section (3) (c) and (5) of Section 134 of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- i) in the preparation of the annual accounts for the financial year ended 31st March, 2024, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit/loss of the Company for the year under review;
- iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the Directors have prepared the annual financial statements on a going concern basis;
- v) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and
- vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

22. PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as per section 134(3)(2) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 for the year ended 31st March, 2024 are provided under Annexure - 'C' to this report.

23. ANNUAL RETURN

Pursuant to the provisions of Section 92(1) read with Rule 12 of Companies (Management & Administration) Rules, 2014 and Section 134(3)(a) of the Companies Act, 2013 ('Act') as amended, the Annual Return in Form MGT-7 for FY 2024 is uploaded on the website of the Company and the web link of which is: <https://huvl.in/annual-reports/>

24. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with the applicable mandatory Secretarial Standards.

25. PREVENTION OF INSIDER TRADING

The Company is in compliance with Regulations of SEBI

(Prohibition of Insider Trading) Regulations, 2015 ("SEBI PIT Regulations") and SEBI circulars issued from time to time. The Company has in place Code of Conduct for Prohibition of Insider Trading and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information pursuant to SEBI PIT Regulations, for regulating, monitoring and reporting of trading by insiders in order to align with the SEBI PIT Regulations. The Insider Code aims at preserving and preventing misuse of unpublished price sensitive information. All Directors, Designated Employees and Connected Persons of your Company are covered under the Insider Code, which provides inter alia for periodical disclosures and obtaining pre-clearances for trading in securities of your Company. The said code is hosted on the website of the Company at <https://huvl.in/codes-of-conduct/5-code-of-conduct-for-prevention-of-insider-trading/>

26. OTHERS

Your Directors state that no disclosure or reporting is required in respect of the following items during the year under review:

1. The details relating to deposits, covered under Chapter V of the Act, since neither the Company has accepted deposits during the year under review nor there were any deposits outstanding during the year.
2. Details relating to the issue of sweat equity shares, stock options, and shares with differential rights as to dividend, voting or otherwise, since there was no such issue of securities.
3. None of the Whole-Time Directors of the Company received any remuneration or commission from any of its subsidiaries.
4. During the financial year under review, no application was made or proceeding initiated against the Company under the Insolvency and Bankruptcy Code, 2016 nor any such proceeding was pending at the end of the financial year under review.
5. During the financial year under review, there was no instance of one-time settlement of loans / financial assistance taken from Banks or Financial Institutions, hence the Company was not required to carry out valuation of its assets for the said purpose.

27. ACKNOWLEDGEMENT

The Directors take this opportunity to thank the Shareholders, Financial Institutions, Banks, Customers, Suppliers, Regulators, Government Authorities – Central and State Government & Local.

The Directors also place on record their appreciation to the employees at all levels for their hard work, dedication and commitment.

For and on behalf of the Board of Directors
Heads Up Ventures Limited

Hansraj Rathor
Managing Director
DIN: 07567833

Priyavrat Mandhana
Non - Executive Director
DIN: 02446722

Place : Mumbai
Date : 9th May, 2024

ANNEXURE - 'A' TO DIRECTORS' REPORT

SALIENT FEATURES OF NOMINATION AND REMUNERATION POLICY ALONG WITH THE CHANGES MADE THEREIN

The Nomination and Remuneration Policy ('NR Policy') of the Company has been formulated with a view to:

1. devise a transparent system of determining the appropriate level of remuneration throughout all levels of employees and teams in the Company;
2. encourage personnel to perform to their highest level;
3. provide consistency in remuneration throughout the Company;
4. offer incentives on the premise of aligning the performance of the business with the performance of key employees and teams within the Company; and
5. set out the approach to diversity on the Board.

The NR Policy elucidates the types of remuneration to be offered by the Company and factors to be considered by the Board of Directors of the Company, Nomination and Remuneration Committee and management of the Company in determining the appropriate remuneration policy for the Company.

The NR Policy applies to the Company's senior management employees, including its Key managerial personnel and Board of Directors.

The NR Policy also acts as a guide in evaluating the performance of the officers of the Company which are two level below the Board and states that such evaluation shall be carried out by the Managing Director in consultation with CEO and Head-HR and a summary of the evaluation carried out shall also be placed annually before the Nomination and Remuneration Committee for its approval.

The policy represents the overreaching approach of the Company to the remuneration of Directors, KMPs and other employees. The detailed policy is available on the Company's website at <https://huvl.in/codes-of-conduct/8-nomination-and-remuneration-policy/>

For and on behalf of the Board of Directors
Heads Up Ventures Limited

Hansraj Rathor
Managing Director
DIN: 07567833

Priyavrat Mandhana
Non - Executive Director
DIN: 02446722

Place : Mumbai

Date : 9th May, 2024



ANNEXURE - 'B' TO DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

**The Members,
HEADS UP VENTURES LIMITED
Mumbai**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HEADS UP VENTURES LIMITED** (hereinafter called the "Company") for the audit period covering the financial year ended on 31st March 2024. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2024, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have relied on and examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2024, according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("Listing Regulations"); and
 - (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
2. There were no actions/ events in pursuance of following Regulations of SEBI requiring compliance thereof by the Company during the period under review:
 - (i) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (ii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - (iii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
 - (iv) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and
 - (v) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
3. Provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investments, External Commercial Borrowings were not attracted during the year under review;
4. Based on the information provided and review of the Compliances Report of Managing Director taken on record by the Board of the Company and also relying on the representation made by the Company and its Officers, in my opinion, adequate system and process exists in the company to monitor and ensure compliances with the provisions of general and other industry and sector specific Laws and Regulations applicable to the Company, as identified and confirmed by the management of the Company and listed below:
 - i. The Legal Metrology Act, 2009
 - ii. The Trade Mark Act, 1999
5. I have also examined compliance with the applicable clauses of the following:
 - (i) Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India; and
 - (ii) Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards mentioned above and there are no material non-compliances that have come to my knowledge except :

1. Delayed filing of following e-Forms after payment of additional fees:
 - (a) e-Form DIR-12 vide SRN AA2462680 on 16th May, 2023 filed for registering change in Designation of Mr. Vipinraj Paiyapilly and Mr. Abhijit Salian from "Additional Independent Director" to "Independent Director";
 - (b) e-Form DIR-12 vide SRN AA5800899 on 9th October, 2023 filed for registering change in Designation of Mr. Roshan More from "Additional Independent Director" to "Independent Director";
 - (c) e-Form AOC-5 vide SRN AA3604978 on 21st July, 2023 filed for registering the change of place for keeping statutory registers of the Company"; and
 - (d) e-Form IEPF-2 vide SRN F82703414 on 23rd November, 2023 filed for registering the appointment of Nodal Officer,
2. Outcome of the Board Meeting dated 30th January 2024, at which the unaudited financial results for the quarter ended 31st December 2023 were approved, was submitted under Regulation 30 read with Clause 2 of Part A of Schedule III of LODR Regulations, 2015 to the NSE with delay of about one hour due to technical glitch on stock exchange's portal and no explanation was called for by the NSE in this regard.
3. No updated disclosure as required under Regulation 30(5) of SEBI LODR Regulations, 2015 on authorization to one or more KMPs for the purpose of determining materiality of an event or information and for the purpose of making disclosures to stock exchange(s) under this regulation along with the contact details of such personnel was filed with stock exchange.

I further report that compliances of finance and tax laws and maintenance of financial records and books of accounts have not been reviewed in this Audit since the same have been subject to review by Statutory Auditors and other designated professionals.

I further report that:

1. The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Agenda and detailed notes on agenda were also sent to all the directors of the Company at least seven days in advance, except where consent of directors was received for circulation of the Agenda and notes on Agenda at a shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above have taken place

Date : 9th May 2024

Place : Mumbai

SHREYA SHAH
Mem No. A39409/CoP: 15859
UDIN: A039409F000338061
Peer Review Certificate No.: 1696/2022

Note: This report is to be read with my letter of even date which is annexed as **ANNEXURE-A** and forms an integral part of this report.

ANNEXURE- A

**The Members,
 HEADS UP VENTURES LIMITED
 Mumbai**

My report of even date is to be read along with this letter:

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Whenever required, I have obtained the management representation about the compliance of laws, rules and regulations and major events during the audit period.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 9th May 2024

Place: Mumbai

SHREYA SHAH
Practising Company Secretary
Mem No. A39409/CoP: 15859
UDIN: A039409F000338061
Peer Review Certificate No.: 1696/2022



ANNEXURE - 'C' TO DIRECTORS' REPORT

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

CONSERVATION OF ENERGY :

The Company is engaged in the continuous process of energy conservation through improved operational and maintenance practices.

The operations of your Company are not energy intensive. However, wherever possible your company strives to curtail the consumption of energy on a continued basis by using energy-efficient equipment. As energy costs comprise a very small part of your Company's total expenses, the financial implications of these measures are not material.

The Company consciously makes all efforts to conserve energy across all its operations.

TECHNOLOGY ABSORPTION:

The Company continues to use the latest technologies to improve the productivity and quality of its products. There has been no import of technology during the year under review.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Foreign Exchange outgo and foreign exchange earned by the Company during the year are:

Earnings : ₹ NIL

Outgo : ₹ NIL

For and on behalf of the Board of Directors

Heads Up Ventures Limited

Hansraj Rathor
Managing Director
DIN: 07567833

Priyavrat Mandhana
Non - Executive Director
DIN: 02446722

Place : Mumbai

Date : 9th May, 2024

MANAGEMENT DISCUSSION AND ANALYSIS

Global Economy

According to IMF World Economic Outlook (Apr-2024), Economic activity was surprisingly resilient through the global disinflation of 2022–23. As global inflation descended from its mid-2022 peak, economic activity grew steadily, defying warnings of stagflation and global recession. Growth in employment and incomes held steady, reflecting supportive demand developments including greater than expected government spending and household consumption and a supply-side expansion amid, notably, an unanticipated boost to labour force participation. The unexpected economic resilience, despite significant central bank interest rate hikes aimed at restoring price stability, also reflects the ability of households in major advanced economies to draw on substantial savings accumulated during the pandemic.

The pace of expansion is low by historical standards, owing to both near-term factors, such as still-high borrowing costs and withdrawal of fiscal support, and longer-term effects from the COVID-19 pandemic and Russia's invasion of Ukraine, weak growth in productivity and increasing geo-economics fragmentation. Global headline inflation is expected to fall from an annual average of 6.8 percent in 2023 to 5.9 percent in 2024 and 4.5 percent in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies. The latest forecast for global growth five years from now at 3.1 percent is at its lowest in decades.

Risks to the global outlook are now broadly balanced. On the downside, new price spikes stemming from geopolitical tensions, including those from the war in Ukraine and the conflict in Gaza and Israel, could, along with persistent core inflation where labor markets are still tight, raise interest rate expectations and reduce asset prices. A divergence in disinflation speeds among major economies could also cause currency movements that put financial sectors under pressure.

Monetary policy remains focused on aligning inflation with the target to pave the path for sustained growth in the medium term.

Indian Economy

According to RBI, Domestic economic activity continues to expand at an accelerated pace, supported by fixed investment and improving global environment. The second advance estimates (SAE) placed real GDP growth at 7.6 per cent for 2023-24, the third successive year of 7 per cent or higher growth. From the supply side, industrial activity led by manufacturing continued its momentum. The purchasing managers' index (PMI) for manufacturing displayed a sustained expansion in February-March, touching a 16-year high in March. The services sector exhibited broad-based buoyancy with all sectors registering strong growth. The PMI services remained above 60 during February-March, suggesting sustained healthy expansion.

Indian Retail

Indian retail industry has emerged as one of the most dynamic and fast-paced industries due to the entry of

several new players. It accounts for over 10% of the country's gross domestic product (GDP) and around eight % of the employment. India is the world's fifth-largest global destination in the retail space. The sizeable middle class and nearly unexplored retail market in India are the main enticing factors for international retail behemoths seeking to move into newer markets, which will help the Indian retail business grow more quickly. The urban Indian consumer's purchasing power is increasing, and branded goods in categories like apparel, cosmetics, footwear, watches, beverages, food, and even jewellery are gradually evolving into business and leisure that are well-liked by the urban Indian consumer. The retail sector in India is expected to reach a whopping US\$ 2 trillion in value by 2032, according to a recent analysis by the Boston Consulting Group (BCG).

Online penetration of retail is expected to reach 10.7% by 2024 versus 4.7% in 2019. By 2024, India's e-commerce industry is expected to increase by 84% to US\$ 111 billion, driven by mobile shopping, which is projected to grow at 21% annually over the next four years.

India's retail sector was experiencing exponential growth with retail development taking place not just in major cities and metros, but also in small cities. Healthy economic growth, changing demographic profile, increasing disposable income, urbanization, and changing consumer tastes and preferences have been some of the factors driving growth in the organized retail market in India.

Review of Company's Business Operations, Opportunities and Threats/Risks and Its Mitigation

During the FY 2023-24, the Company has developed a new range of products in fashion apparels and accessories business including T-shirts, Caps, Hats, socks, Underwear and such different categories of products. The Company has also launched its own website www.hupessentials.com and activated social media handles in the last quarter of the financial year and started selling the inventories designed and manufactured. The Company has entered into an outright purchase agreement with Reliance Retail Limited for the sale of the fashion apparel and accessories under the brand "HUP" on their e-commerce platform.

As the Company is in the process of establishing the brand across all channels, an inherent risk of new business operations becoming futile is the ultimate risk which the Company is facing. As there were no business operations during the FY 2023-24, the details pertaining to segment-wise revenue could not be provided.

Establishing a non-celebrity brand within an increasingly saturated market characterized by intense brand rivalry, surplus supply pressures, online platform discounts, elevated procurement costs, and operational challenges presents a significant challenge for the company. The company is dedicating considerable efforts toward producing high-quality goods at affordable prices. It anticipates receiving constructive responses regarding its existing product inventories, which will serve as a foundation for refining its market penetration strategy. This involves devising plans for enhanced procurement to amplify production volume and expand the reach of the brand.



MANAGEMENT DISCUSSION AND ANALYSIS (Contd.)

Performance Review

During the year, we achieved sales of Rs. 78.96 lakh, reflecting a (decline of 48% over Rs. 151.07 Lakh in FY23. Net loss after tax stood at Rs. 431.79 Lakh, as compared to net loss of Rs. 965.52 Lakh in FY23.

(₹ in lakh, except earnings per share)

| Particulars | Year ended | |
|---|------------|------------|
| | 31.03.2024 | 31.03.2023 |
| Total Income | 78.96 | 151.07 |
| Net Profit/(Loss) for the Period before tax | (431.79) | (974.99) |
| Net Profit / (Loss) for the Period after tax | (431.79) | (965.54) |
| Total Comprehensive Income for the Period (Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after Tax) | (421.59) | (962.02) |
| Equity Share Capital | 2208.26 | 2208.26 |

Human Assets

Our people are at the heart of everything we do and we implement a variety of initiatives to augment their operational capabilities. As on 31st March, 2024, our workforce strength is recorded at 12 (excluding the Executive Directors of the Company).

Internal controls and their adequacy

We have set up a comprehensive system of internal controls, along with a structured internal audit process, vested with the task of safeguarding the assets of the organisation, and ensuring reliability and accuracy of the accounting and other operational data. Internal audit is conducted for all the processes to identify risks and verify whether all systems and processes are commensurate with the business size and structure. These internal controls are verified by the Audit Committee to monitor existing systems and take corrective measures, wherever required.

Key Financial Ratios

Details of significant changes (i.e., change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations thereof, including:

| Sr. Nos. | Ratio | 31 st March 2024 | 31 st March, 2023 | Variance |
|----------|----------------------------------|-----------------------------|------------------------------|----------|
| 1 | Current Ratio | 6.85 | 6.71 | 2% |
| 2 | Return on Equity Ratio | (30.97) | (53.18) | 42% |
| 3 | Trade Receivables Turnover Ratio | 0.18 | 0.15 | 20% |
| 4 | Trade Payables Turnover Ratio | 2.56 | 1.19 | 115% |
| 5 | Net Profit Ratio | (671.28) | (1314.03) | 49% |
| 6 | Return On Capital Employed | (65.73) | (50.47) | 30% |

Note: Kindly refer Note No.36 for major variations in the Ratio

Figures in brackets represent negative number.

CORPORATE GOVERNANCE REPORT

1. Company's philosophy on code of Corporate Governance:

The Company's corporate governance is a reflection of the value system encompassing our culture, policies and relationship with our stakeholders. Integrity and transparency are key to our corporate governance practices to gain and retain the trust of our stakeholders at all times. Our corporate governance philosophy encompasses regulatory and legal requirements, which aims at a high level of business ethics, effective supervision and enhancement of value for all stakeholders. The Management strives to adhere to all the Corporate Governance practices which form part of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). The Company's philosophy of Corporate Governance is not only compliant with the statutory requirements but also underlines our commitment to operate in the best interest of the stakeholders.

Corporate Governance Structure:

The Company follows a dynamic governance structure with an appropriate flow of authority, which is aligned with the responsibility and obligations of each employee. Tenet of the Corporate Governance structure

2. Board of Directors:

There were six Directors on the Board of the Company as on 31st March, 2024. The Board of Directors comprises of Executive Directors and Non-Executive & Independent Directors including a Woman Director. The Non-Executive Directors are accomplished professionals in their respective fields of expertise.

a. Details relating to the composition and category of the Board of Directors, number of Directorships, Memberships and Chairmanships of the Directors of the Company in other companies (as on 31st March, 2024) are as follows:

| Name of the Director | Category of Director | Number of other Directorship held (including Private Limited Companies) | Number of Committee positions held in other public Companies | | Directorship in other listed entity (including Category of Directorship held) | No. of Equity Shares held |
|--------------------------------------|---------------------------------------|---|--|-----------|---|---------------------------|
| | | | As Chairman | As Member | | |
| Mr. MVPH Rao ¹ | Non - Executive and Independent | 1 | - | - | - | - |
| Mr. Pravin Navandar | Non - Executive and Independent | 1 | - | - | - | - |
| Mr. Vipinraj Paiyapilly ⁴ | Non - Executive and Independent | 1 | - | - | - | - |
| Mr. Abhijit Salian ⁴ | Non - Executive and Independent | 1 | - | - | - | - |
| Mr. Roshan More ⁶ | Non - Executive and Independent | - | - | - | - | - |
| Mr. Sudhir Kumar Arya ⁵ | Non - Executive and Independent | - | - | - | - | - |
| Mrs. Neeraj Bala ⁵ | Non - Executive and Independent | - | - | - | - | - |
| Mrs. Sangeeta Mandhana ² | Managing Director | - | - | - | - | 1052873 |
| Mr. Hansraj Rathor ³ | Managing Director | 1 | - | - | - | - |
| Mr. Priyavrat Mandhana ⁹ | Promoter and Non - Executive Director | 3 | - | - | - | 3000 |

is the three tier governance philosophy adopted by the Company, outlined below:

- (i) Tactical Supervision – The Board of Directors (Board) comprising of the Executive and Non-Executive Directors, sites the overall strategy for the Company. The focus is on the fiduciary and trusteeship role exercised by the Board to align and direct the actions of the organization towards creating wealth and stakeholder value.
- (ii) Executive Management - The Corporate Management comprising of the Executive Directors, Chief Executive Officer, Chief Financial Officer and the Company Secretary, shares the responsibility of driving the organization towards achieving the goals anchored by the Board of Directors.
- (iii) Operational Management – The Head of each Operations are responsible for managing the day to day affairs of the Company.

This three-tier Corporate Governance Structure not only ensures greater management accountability and credibility but also facilitates increased business autonomy, performance, discipline and development of business leaders.



CORPORATE GOVERNANCE REPORT (Contd.)

Notes:

- ¹ Mr. MVPH Rao have resigned as a non-Executive Independent Director w.e.f. 31st May, 2023
- ² Mrs. Sangeeta Mandhana have resigned as Managing Directors w.e.f. 31st January, 2024.
- ³ Mr. Hansraj Rathor have been appointed as Directors (Additional Executive and Managing Director) w.e.f. 1st February, 2024
- ⁴ Mr. Abhijit Salian and Mr. Vipinraj Paiyapilly have resigned as Directors (Non-Executive and Independent) w.e.f. 23rd March, 2024 and 26th March, 2024 respectively.
- ⁵ Mr. Sudhir Kumar Arya and Mrs. Neeraj Bala have been appointed as Directors (Non- Executive and Independent) w.e.f. 27th March, 2024.
- ⁶ Mr. Roshan More have resigned as a non-Executive Independent Director w.e.f. 1st April, 2024.
- ⁷ The Directorship relates to the Directorships of the Directors in other public/ private limited companies (excluding Heads UP Ventures Limited).
- ⁸ Membership/Chairmanship relates to membership of Committees referred to in Regulation 26(1) of the Listing Regulations, viz. Audit Committee and Stakeholders Relationship Committee of all other public limited companies (excluding Heads UP Ventures Limited), whether listed or not and excludes private limited companies, foreign companies and companies licensed under Section 8 of the Companies Act, 2013.
- ⁹ Designation of Mr. Priyavrat Mandhana is changed from "Executive Director" to "Non- Executive Director w.e.f. 1st June, 2023
- ¹⁰ No Directors are relatives in terms of Section 2 (77) of the Act read with Companies (Specification of definitions details) Rules, 2014 and Listing Regulations
- ¹¹ None of the Independent Directors of the Company hold any shares in the Company

b. Details relating to the Board Meetings held during the Financial Year 2023-2024 along with the attendance of each of the Directors are as follows:

The Board met five times during the financial year under review on the following dates:

1. 25th May, 2023
2. 11th August, 2023
3. 6th November, 2023
4. 30th January, 2024
5. 27th March, 2024

Attendance:

| Sr. No. | Name of the Director | Number of meetings entitled to attend | Number of Meetings attended | Whether attended the last AGM (29.09.2023) |
|---------|--------------------------------------|---------------------------------------|-----------------------------|--|
| 1. | Mr. Pravin Navandar | 5 | 5 | Yes |
| 2. | Mr. Abhijit Salian [@] | 4 | 4 | Yes |
| 3. | Mr. Vipinraj Paiyapilly [@] | 4 | 4 | Yes |
| 4. | Mr. Roshan More [@] | 3 | 3 | Yes |
| 5. | Mr. Sudhir Kumar Arya [#] | Nil | N.A. | N.A. |
| 6. | Mrs. Neeraj Bala [#] | Nil | N.A. | N.A. |
| 7. | Ms. Sangeeta Mandhana [*] | 4 | 4 | Yes |
| 8. | Mr. Hansraj Rathor ^{&} | 1 | 1 | N.A. |
| 9. | Mr. Priyavrat Mandhana | 5 | 3 | Yes |
| 10. | Mr. MVPH Rao [@] | 1 | 0 | N.A. |

[@] Mr. MVPH Rao have resigned w.e.f. 31st May, 2023. Mr. Vipinraj Paiyapilly and Mr. Abhijit Salian have resigned w.e.f. 23rd March, 2024 and 26th March, 2024 respectively. Mr. Roshan more have resigned w.e.f. 1st April, 2024.

^{*} Mrs. Sangeeta Mandhana have resigned from 31st January, 2024.

[&] Mr. Hansraj Rathor appointed from 1st February, 2024

[#] Mr. Sudhir Kumar Arya and Mrs. Neeraj Bala have appointed w.e.f. 27th March, 2024.

c. Number of Shares and Convertible Instruments held by Non- Executive Directors:

Mr. Priyavrat Mandhana, Non-Executive Director holds 3,000 equity shares of the Company as of 31st March, 2024. The Company has not issued any convertible instruments.

CORPORATE GOVERNANCE REPORT (Contd.)

- d. The following is the list of core skills/expertise/competencies identified by the Board of Directors, based on recommendations of the Nomination & Remuneration Committee, as required in the context of the Company's aforesaid business(es) for it to function effectively along with the names of Directors who have such skills/expertise/ competence

| Names of director | Skills / Expertise / Competencies | | | | |
|----------------------------|--|--|--|--|---|
| | Financial skills: Understanding the financial statements, financial controls, risk management, mergers and acquisition, etc. | General management/ Governance: Strategic thinking, decision making and protect interest of all stakeholders | Skill to handle gender diversity at the Board and management level | Sales & Marketing: Experience in retailing, brand building, fashion trends, Advertising, customer behavior | Technical, professional skills and knowledge including legal and regulatory aspects |
| 1. Mrs. Sangeeta Mandhana | Y | Y | Y | Y | Y |
| 2. Mr. Priyavrat Mandhana | Y | Y | Y | Y | N |
| 3. Mr. MVPH Rao | Y | Y | Y | N | Y |
| 4. Mr. Pravin Navandar | Y | Y | Y | N | Y |
| 5. Mr. Abhijit Salian | Y | Y | Y | N | Y |
| 6. Mr. Vipinraj Paiyapilly | Y | Y | Y | N | Y |
| 7. Mr. Roshan More | Y | Y | Y | N | Y |
| 8. Mr. Hansraj Rathor | Y | Y | Y | Y | Y |
| 9. Mrs. Neeraj Bala | Y | Y | Y | N | Y |
| 10. Mr. Sudhir Kumar Arya | Y | Y | Y | N | Y |

e. **Declaration from Independent Directors**

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Companies Act, 2013 along with rules framed thereunder. In terms of Regulation 25(8) of Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management.

f. **Resignation of Independent Directors**

Mr. MVPH Rao has resigned w.e.f. 31st May, 2023 due to his inability to attend the meetings of the

Board and Committees constituted by the Board due to other preoccupation and Mr. Abhijit Salian, Mr. Vipinraj Paiyapilly and Mr. Roshan More have resigned w.e.f. 23rd March, 2024 and 26th March, 2024 and 1st April, 2024 respectively due to other pre-occupations. All of them has also confirmed that there exist no other material reasons other than the above reason for their resignation.

g. **Familiarization Programme**

The Company had imparted familiarization programme for the Independent Directors of the Company for them to get acquainted with the nature of business of the company. The details of which are provided on the website of the Company at www.huvl.in under the tab 'Familiarization Programme for Independent Directors'. The web link for the same is <https://huvl.in/codes-of-conduct/3-familiarization-programme-for-independent-directors/>

3. **Audit Committee:**

The Board of Directors has constituted Audit Committee in conformity with the provisions of Section 177 of the Companies Act, 2013 ("Act") and Regulation 18 of the Listing Regulations. The terms of reference and scope of activities of the Audit Committee are in conformity with the Act and the Listing Regulations. The previous AGM of the Company was held on 29th September, 2023, and was attended by the Chairman of the Audit Committee.

A. **Meetings and Attendance:**

Four Audit Committee Meetings were held during the year under review. The dates on which the meetings held are as follows:

| | | | |
|-------------------------------|----------------------------------|-----------------------------------|-----------------------------------|
| 1. 25 th May, 2023 | 2. 11 th August, 2023 | 3. 6 th November, 2023 | 4. 30 th January, 2024 |
|-------------------------------|----------------------------------|-----------------------------------|-----------------------------------|



CORPORATE GOVERNANCE REPORT (Contd.)

The details of the composition of the Committee and attendance of the Members during the FY ended on 31st March, 2024 are as follows:

| Sr. No. | Name of Member | Position held in the Committee (Category) | No. of Meetings attended |
|---------|--|---|--------------------------|
| 1 | Mr. Pravin Navandar | Chairman (Non-Executive & Independent Director) | 4/4 |
| 2 | Mr. Abhijit Salian (ceased as Member/Director w.e.f. 23 rd March, 2024) | Member (Non-Executive & Independent Director) | 4/4 |
| 3 | Mr. MVPH Rao (ceased as Member/Director w.e.f. 31 st May, 2023) | Member (Non-Executive & Independent Director) | 0/1 |
| 5 | Mr. Priyavrat Mandhana ¹ | Member (Non - Executive Director) | 2/4 |

Notes:

¹ Designation of Mr. Priyavrat Mandhana is changed from "Executive Director" to "Non- Executive Director with effect from 1st June, 2023

The Company Secretary of the Company acts as the Secretary of the Audit Committee.

The Audit Committee is responsible for overseeing the processes related to financial reporting and information dissemination. The primary objective of the Audit Committee of the Company is to monitor and effectively supervise the financial reporting process of the Company with a view to ensure accurate, timely and proper disclosures and transparency and integrity of financial reporting.

B. Brief description of the terms of reference of the Audit Committee inter alia includes:

1. The role of the Audit Committee includes the following:

- 1) oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- 2) recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- 3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - (b) changes, if any, in accounting policies and practices and reasons for the same;
 - (c) major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) significant adjustments made in the financial statements arising out of audit findings;

- (e) compliance with listing and other legal requirements relating to financial statements;
- (f) disclosure of any related party transactions;
- (g) modified opinion(s) in the draft audit report;
- 5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- 6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- 7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- 8) approval or any subsequent modification of transactions of the Company with related parties;
- 9) scrutiny of inter-corporate loans and investments;
- 10) valuation of undertakings or assets of the listed entity, wherever it is necessary;
- 11) evaluation of internal financial controls and risk management systems;
- 12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

CORPORATE GOVERNANCE REPORT (Contd.)

- 14) discussion with internal auditors of any significant findings and follow up there on;
 - 15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
 - 16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 - 17) look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 - 18) review the functioning of the whistle blower mechanism;
 - 19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
 - 20) carrying out any other function as is mentioned in the terms of reference of the audit committee;
 - 21) ensure prior approval to all related party transaction pursuant to applicable section of the Companies Act, 2013 and the Listing Regulations.
 - 22) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc. on company and its shareholders.
 - 23) Review compliance with provisions of Securities Exchange Board of India (Prevention of Insider Trading) Regulation, 2015 (including any amendment(s) or modification(s) from time to time) at least once in a financial year and verify that the systems for internal controls for ensuring compliance to these Regulations, are adequate and are operating effectively.
- // The audit committee mandatorily reviews the following information:
- 1) management discussion and analysis of financial condition and results of operations;
 - 2) statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - 3) management letters / letters of internal control weaknesses issued by the statutory auditors;
 - 4) internal audit reports relating to internal control weaknesses;
 - 5) the appointment, removal and terms of remuneration of the chief internal auditor are subject to review by the audit committee; and
 - 6) statement of deviations:
 - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

C. Internal Audit:

M/s. MJPT & Co. LLP, Chartered Accountants, Internal Auditors of the Company have carried out the Internal Audit for FY 2023-24. The reports and findings of the Internal Audit are reviewed quarterly by the Audit Committee

4. Nomination & Remuneration Committee:

The Board of Directors has constituted the Nomination and Remuneration Committee of the Board of Directors of the Company in conformity with the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations. The terms of reference and scope of activities of the Nomination and Remuneration Committee is in conformity with the Act and the Listing Regulations. The previous AGM of the Company was held on 29th September, 2023, and was attended by Mr. Abhijit Salian, Chairman of the Nomination and Remuneration Committee.

Meetings and Attendance:

During the year under review, three Meetings of the Committee were held on 11th August, 2023, 30th January, 2024 and 22nd March, 2024.

The details of the composition of the Committee and attendance of the Members during the FY ended on 31st March, 2024 are as follows :

| Sr. No. | Name of Member | Position held in the Committee (Category) | No. of Meetings attended |
|---------|---|--|--------------------------|
| 1 | Mr. MVPH Rao (ceased as Chairman/Director w.e.f. 31 st May, 2023) | Chairman (Non-Executive & Independent Director) | N.A |
| 2 | Mr. Pravin Navandar | Member (Non-Executive & Independent Director) | 3/3 |



CORPORATE GOVERNANCE REPORT (Contd.)

| Sr. No. | Name of Member | Position held in the Committee (Category) | No. of Meetings attended |
|---------|--|--|--------------------------|
| 3 | Mr. Abhijit Salian (appointed as Chairman w.e.f. 11 th August, 2023 and ceased on 23 rd March, 2024) | Chairman (Non-Executive & Independent Director) | 3/3 |
| 4 | Mr. Vipinraj Paiyapilly (ceased as Member w.e.f. 26 th March, 2024) | Member (Non-Executive & Independent Director) | 3/3 |
| 5 | Mr. Sudhir Kumar Arya (appointed as Chairman w.e.f. 27 th March, 2024) | Member (Non-Executive & Independent Director) | N.A. |
| 6 | Mrs. Neeraj Bala (appointed as Member w.e.f. 27 th March, 2024) | Member (Non-Executive & Independent Director) | N.A. |

The Company Secretary of the Company acts as the Secretary of the Nomination and Remuneration Committee.

B. Brief description of the terms of reference of the Nomination and Remuneration Committee inter alia includes:

- 1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- 2) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
- 3) formulation of criteria for evaluation of performance of independent directors and the board of directors and Key Managerial Personnel of the Company;
- 4) devising a policy on diversity of board of directors;
- 5) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- 6) whether to extend, terminate or continue the term of appointment of the independent director, Key Managerial Personnel of the Company, on the basis of the report of performance evaluation of independent directors.
- 7) Recommend to the Board, all remuneration, in whatever form, payable to senior management.

C. Performance evaluation criteria for Independent Directors:

The relevant information on performance evaluation for Independent Directors is covered under sub-heading 'Independent Directors' in this report.

D. Remuneration of Directors:

i) Pecuniary relationship or transactions of the non-executive directors vis-à-vis the Company:

Except for the sitting fees paid to the Non-Executive Directors for attending the Board and Committee Meetings, there were no other pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company.

ii) Criteria of making payments to non-executive directors:

Payments to Non-Executive Directors are decided, based on multiple criteria of seniority/experience, number of years on the Board, Board/Committee meetings attended, Director's position on the Company's Board/Committees, other relevant factors and performance of the Company.

iii) Disclosures with respect to remuneration in addition to disclosures required under the Companies Act, 2013:

Details of sitting fees paid to the Non-Executive Directors for the financial year 2023-2024:

| Sr. No. | Name of the Non-Executive Director | Sitting fees paid (Rs. in Lakh) |
|---------|------------------------------------|---------------------------------|
| 1. | Mr. MVPH Rao # | - |
| 2. | Mr. Pravin Navandar | 1.95 |
| 3. | Mr. Abhijit Salian® | 1.70 |
| 4. | Mr. Vipinraj Paiyapilly& | 1.40 |
| 5. | Mr. Roshan More§ | 0.75 |
| 6. | Mr. Sudhir Kumar Arya* | N.A. |
| 7. | Mrs. Neeraj Bala* | N.A. |

Resigned w.e.f. 23rd March, 2024.

& Resigned w.e.f. 26th March, 2024

§ Resigned w.e.f. 1st April, 2024

* Appointed w.e.f. 27th March, 2024.

Resigned w.e.f. 31st May, 2023.

CORPORATE GOVERNANCE REPORT (Contd.)

During the year, there were no other pecuniary relationships or transactions of Non-Executive Directors with the Company.

Details of the remuneration paid to the Managing Director and the Executive Director of the Company for the financial year 2023-2024:

| Sr. No. | Name of the Director | Remuneration paid/ payable (₹ in Lakh) | Perquisites (₹ in Lakh) | Total (₹ in Lakh) |
|---------|------------------------|--|-------------------------|-------------------|
| 1. | Mrs. Sangeeta Mandhana | 67.08 | 3.45 | 70.53 |
| 2. | Mr. Priyavrat Mandhana | Nil | Nil | Nil |
| 3. | Mr. Hansraj Rathor | 2.00 | 0 | 2.00 |

Notes:

- a. Salaries and Perquisites include Salary, allowances, company's contribution to provident fund and monetary value of perquisites, if any. The terms of appointment of Executive Directors as approved by shareholders, are contained in their respective Agreements entered into with the Company. The tenure of office of the Executive Directors is three years from their respective dates of appointments and their tenure was expired on 31st August, 2022. In the 11th Annual General Meeting of the Company, their re-appointment was approved for a further term of 3 years w.e.f. 1st September, 2022 on such terms and conditions as recommended by the Nomination and Remuneration Committee and Audit Committee of the Board of Directors. The notice period for termination of appointment is determinable as per company's policy.
- b. While there is no specific provision for payment of performance linked incentives and severance fees for any of the Executive Directors, the Board is empowered to consider the same at its discretion, taking into account attendant facts and

circumstances. There are no provisions for notice period and payment of severance fees.

- c. The Company has not provided any Stock Options to its Directors or employees.
- d. Mrs. Sangeeta Mandhana have resigned w.e.f. 31st January, 2024.
- e. Designation of Mr. Priyavrat Mandhana is changed from "Executive Director" to "Non- Executive Director w.e.f. 1st June, 2023
- f. Mr. Hansraj rather was appointed with effect from 1st February, 2024.

iv) Remuneration Policy

The Remuneration Policy formulated in accordance with the Companies Act, 2013 and SEBI Listing Regulations and as recommended by Nomination and Remuneration Committee has been accepted by the Board of Directors and the same is also available on the Company's website: <https://huvl.in/codes-of-conduct/8-nomination-and-remuneration-policy/>

5. Stakeholders Relationship Committee:

The Board of Directors has constituted the Stakeholders Relationship Committee of the Board of Directors of the Company in conformity with the provisions of Section 178 of the Act and Regulation 20 of the Listing Regulations. The terms of reference and scope of activities of the Stakeholders Relationship Committee is in conformity with the Act and the Listing Regulations. The previous AGM of the Company was held on 29th September, 2023 and was attended by the Chairman of the Stakeholders' Relationship Committee.

A. Meetings and Attendance:

During the year under review, one Meeting of the Committee was held on 22nd March, 2024.

The details of the composition of the Committee and attendance of the Members during the FY ended on 31st March, 2024 are as follows:

| S r No. | Name of the Member | Position held in the Committee (Category) | No. of Meetings attended |
|---------|--|---|--------------------------|
| 1. | Mr. Vipinraj Paiyapilly (ceased as Chairman/Director w.e.f. 26 th March, 2024) | Chairman Non-Executive Independent | 1/1 |
| 2. | Mr. Hansraj Rathor (appointed as Member/Director w.e.f. 1 st February, 2024) | Executive | 1/1 |
| 3. | Mrs. Sangeeta Mandhana (ceased as Member/Director w.e.f. 31 st January, 2024) | Executive | NIL/N.A. |
| 4. | Mrs. Neeraj Bala (appointed as Chairman/Director w.e.f. 27 th March, 2024) | Chairman Non-Executive Independent | NIL/N.A. |
| 5. | Mr. Priyavrat Mandhana1 | Non - Executive | 1/1 |

Note: 1. Designation of Mr. Priyavrat Mandhana is changed from "Executive Director" to "Non- Executive Director w.e.f. 1st June, 2023



CORPORATE GOVERNANCE REPORT (Contd.)

The Company Secretary acted as secretary to the Stakeholders Relationship Committee and was designated as the Compliance Officer of the Company for the financial year ended 31st March, 2024.

B. Brief description of the terms of reference of the Stakeholders Relationship Committee inter alia includes:

- i) Considering and resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report and non-receipt of declared dividends, general meetings, etc.;
- ii) Issue of duplicate/ split/ consolidated share certificates;
- iii) Review of measures taken for effective exercise of voting rights by shareholders;
- iv) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- v) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
and
- vi) Reference to statutory and regulatory authorities regarding investor grievances.

C. Shareholders' Complaints during the Year:

| | |
|---|-----|
| Number of complaints received during the year | Nil |
| Number of complaints not solved to the satisfaction of shareholders | Nil |
| Number of pending complaints | Nil |

The SCORES portal of SEBI for redressing grievances of the investors is being monitored at regular intervals by the Company and there are no pending complaints received on SCORES portal as on 31st March, 2024.

There are no pending cases of share transfer as on 31st March, 2024.

As per Regulation 46(2)(j) of Listing Regulations, the e-mail ID for the grievance redressal and other relevant details of the Company is: cs@huvl.in

As per Regulation 46(2)(k) of the Listing Regulations,

the contact information of designated official of the Company for the financial year ended 31st March, 2024 viz.

Ms. Aishwarya Gupta,
Company Secretary
008, Peninsula Center, Dr. S.S. Rao Road, Parel,
Mumbai 400012
Email id: cs@huvl.in ; Tel. No. 022-24117743.

D. Independent Directors:

Meeting of Independent Directors:

The Company's Independent Directors met on 22nd March, 2024 without the presence of Executive Directors or members of the Management. All the Independent Directors attended the Meeting.

At the meeting held on 22nd March, 2024, the Independent Directors inter-alia reviewed the following:

1. Performance of the Non-Independent Directors;
2. Performance of the Chairman and Independent Directors and noting the performance assessments received from Non-Independent Directors; and
3. Assessed the quality, quantity and timelines of flow of information between the Company Management and the Board and performance of the Board as a whole and its Committee.

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out the annual evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared and circulated after covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A consolidated summary of the ratings given by each Director was then prepared, evaluated and discussed.

The Independent Directors thereafter reviewed the performance of Mr. Hansraj Rathor, Managing Director and Mr. Priyavrat Mandhana, Executive Director of the Company. The Independent Directors collectively opined that both the Executive Directors of the Company should intensively focus on the strategies to kick start the business and also in preserving the scarce Assets of the Company to sustain.

CORPORATE GOVERNANCE REPORT (Contd.)

6. Senior Management

The particulars of senior management including the changes therein since the close of the previous financial year 2023-24 is mentioned below:

| Sr. No | Name of the Senior Management Personnel | Designation | Date of appointment | Date of Cessation, if any |
|--------|---|---|---------------------|---------------------------|
| 1 | Mr. Abhishek Bariyar | Chief Operating Officer | 01.12.2022 | 31.08.2023 |
| 2 | Mr. Vishal Parikh | Chief Financial Officer | 20.08.2021 | - |
| 3 | Ms. Aishwarya Gupta | Company Secretary | 31.05.2022 | - |
| 4 | Sanket Murlidhar Gawand | IT Admin | 01.07.2019 | - |
| 5 | Bharat Shantaram Rana | Manager - HR & Admin | 01.08.2016 | 31.01.2023 |
| 6 | Varsha Raghuram | Vice President - Buying & Sourcing ¹ | 02.04.2020 | 31.05.2023 |
| 7 | Karan Berry | Creative Director ¹ | 01.04.2022 | 16.05.2023 |
| 8 | Archana Subhash Chowdhury | Head Buying and Sourcing ¹ | 01.07.2022 | 16.05.2023 |

¹Associated in contractual capacity.

7. General body Meetings:

A. Particulars of the last 3 Annual General Meetings (AGM):

| Particulars | Date and Time | Venue | Details of Special Resolutions passed |
|--------------------------------------|--|---|---|
| 12 th AGM (FY 2023-24) | 29 th September, 2023 at 2.30 p.m. | Through Video Conferencing/ Audio Visual Means without physical presence of the members at a common venue | Appointment of Mr. Roshan More as Non-Executive Independent Director of the Company for a period of 5 consecutive years. |
| 11 th AGM (FY 2022-23) | 15 th September, 2022 at 2.30 p.m. | Through Video Conferencing/ Audio Visual Means without physical presence of the members at a common venue | Re-appointment of Mrs. Sangeeta Mandhana (DIN: 06934972) as Managing Director of the Company and remuneration payable to her. Re-appointment of Mr. Priyavrat Mandhana (DIN: 02446722) as Executive Director of the Company and remuneration payable to him. |
| 10 th AGM (FY 2021-22) | 29 th September, 2021 at 2.30 p.m. | Through Video Conferencing/ Audio Visual Means without physical presence of the members at a common venue | No special resolutions were passed. |

B. Extraordinary General Meeting

During the year under review, no Resolution was passed through EOGM

C. Special Resolutions passed through Postal Ballot during the year under review:

During the financial year ended 31st March, 2024, following special resolution was proposed by the Company, the result of which was declared on 29th April, 2024:

1. Appointment of Mr. Hansraj Rathor (DIN: 07567833) as Managing Director of the Company.
2. Appointment of Mr. Sudhir Kumar Arya (DIN: 02414512) as Non - Executive Independent Director of the Company for a period of 5 years.
3. Appointment of Mrs. Neeraj Bala (DIN: 07193192) as Non-Executive Independent

Director of the Company for a period of 5 years.

D. Person who conducted the Postal Ballots exercise:

Ms. Shreya Shah, Practicing Company Secretary, acted as Scrutinizer for conducting Postal Ballot process.

E. Whether any special resolution is proposed to be conducted through postal ballot:

Till the date of this report, the Company does not intend or propose to pass any Special Resolution through Postal ballot in the current financial year.

F. Procedure for Postal Ballot:

Pursuant to Section 110 of the Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (including any statutory modification, amendments



CORPORATE GOVERNANCE REPORT (Contd.)

or re-enactment thereof for the time being in force), Listing Regulations and other applicable laws & regulations, the Company had provided to its members the facility to cast their votes by way of postal ballot process (including e-voting) on the resolutions as set out in the Postal Ballot Notice dated 27th March, 2024. The Company had availed the services of Link Intime India Pvt. Ltd., Registrar & Transfer Agents of the Company, for facilitating e-voting for the postal ballot. The resolution was passed with requisite majority. Postal Ballot Notice and results of the Postal Ballot Voting, are available on the Company's website: www.huvl.in.

8. Means of Communications:

A. Quarterly Results:

The financial results are regularly submitted to the Stock Exchanges where the securities of the Company are listed pursuant to the Listing Regulations requirements and extracts of the same are published in the newspapers. The financial results are also displayed on the Company's website i.e. <https://huvl.in/financial-results/>

B. Newspapers wherein results normally published:

The results of the Company are published in Financial Express (in English language) and Mahasagar (in Marathi language).

C. Website of the Company:

Website of the Company is <https://huvl.in/>

D. Whether the website also displays official news

The Equity shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited (NSE) on 14th December, 2016.

| | |
|---|--|
| A. Annual General Meeting | |
| - Date and Time | : Thursday, 12 th September, 2024 at 02:30 p.m. (IST) |
| - Venue | : Through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") |
| B. Financial Year | : 1 st April, 2023 to 31 st March, 2024 |
| C. Dividend payment date | : N.A. |
| D. The name and address of Stock Exchange(s) at which the Company's equity shares are listed and a confirmation about payment of annual listing fee to each of the stock exchanges | BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001 National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai - 400 051 The Company has paid the listing fees to the Stock Exchanges within the prescribed time frame. |
| E. Security/Stock Code / Symbol | |
| ISIN | : INE759V01019 |
| Security/Stock Code for BSE | : 540210 |
| Symbol for NSE | : HEADSUP |

releases:

The Company has maintained a functional website i.e. www.huvl.in containing basic information about the Company like the details of its business, financial information, shareholding pattern, codes and policies etc. The disclosures made by the Company to the Stock Exchanges where the securities of the Company are listed, are also hosted on the website of the Company.

E. Presentations made to institutional investors or to the analysts:

The presentations made by the Company to institutional investors/ analysts, if any, are available on the website of the Company i.e. www.huvl.in. During the year under review, there was no presentation to the institutional investors.

9. General Shareholder information:

The Company was incorporated on 12th February, 2011, as Mandhana Retail Ventures Limited. The name of the Company was changed from 'Mandhana Retail Ventures Limited' to 'The Mandhana Retail Ventures Limited' w.e.f. 26th September, 2016, pursuant to the change of name certificate received from the Registrar of Companies, Mumbai. The name of the Company was further changed from 'The Mandhana Retail Ventures Limited' to 'Heads UP Ventures Limited' w.e.f. 11th May, 2022.

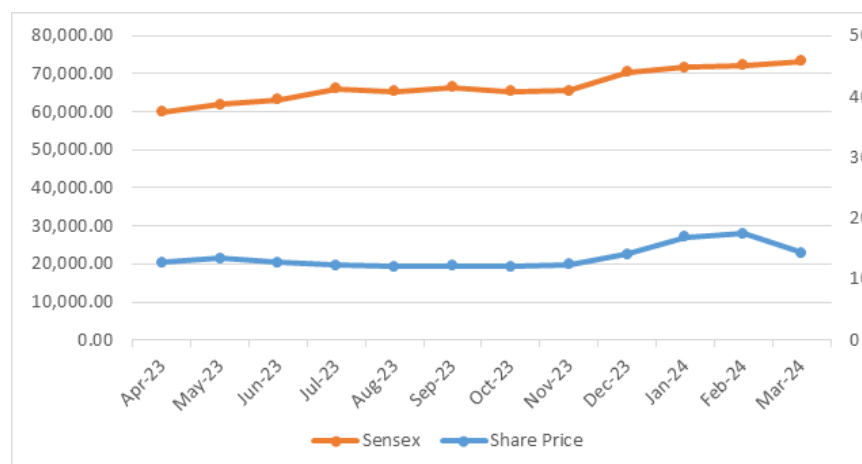
Corporate Identification Number (CIN) of the Company is L52390MH2011PLC213349.

CORPORATE GOVERNANCE REPORT (Contd.)
F. The Market Price data during the year is given below:

| Month | BSE | | | NSE | | |
|-----------------|-------------|------------|---------------|-------------|------------|---------------|
| | High (in ₹) | Low (in ₹) | Traded Volume | High (in ₹) | Low (in ₹) | Traded Volume |
| April, 2023 | 13.99 | 11.71 | 1,76,739 | 13.30 | 12.10 | 1,508,157 |
| May, 2023 | 14.74 | 12.53 | 2,39,551 | 14.75 | 12.30 | 3,745,493 |
| June, 2023 | 13.43 | 11.69 | 2,67,227 | 13.30 | 11.15 | 1,264,169 |
| July, 2023 | 13.90 | 11.21 | 2,69,440 | 13.80 | 11.80 | 1,206,425 |
| August, 2023 | 13.08 | 10.20 | 6,14,844 | 13.30 | 10.00 | 2,642,008 |
| September, 2023 | 12.42 | 14.17 | 3,88,632 | 14.20 | 11.15 | 1,908,498 |
| October, 2023 | 13.60 | 11.01 | 7,33,419 | 13.45 | 11.00 | 4,320,896 |
| November, 2023 | 14.30 | 11.70 | 7,86,800 | 14.70 | 11.60 | 5,861,928 |
| December, 2023 | 16.70 | 12.45 | 12,16,861 | 17.00 | 12.10 | 5,354,270 |
| January, 2024 | 22.45 | 14.51 | 13,08,451 | 22.50 | 14.75 | 11,153,306 |
| February, 2024 | 19.79 | 15.36 | 11,19,363 | 19.85 | 15.15 | 9,966,312 |
| March, 2024 | 17.80 | 11.26 | 4,42,907 | 16.70 | 12.10 | 3,488,909 |

G. Performance in comparison to broad-based indices such as BSE/NSE Sensex (Average closing):

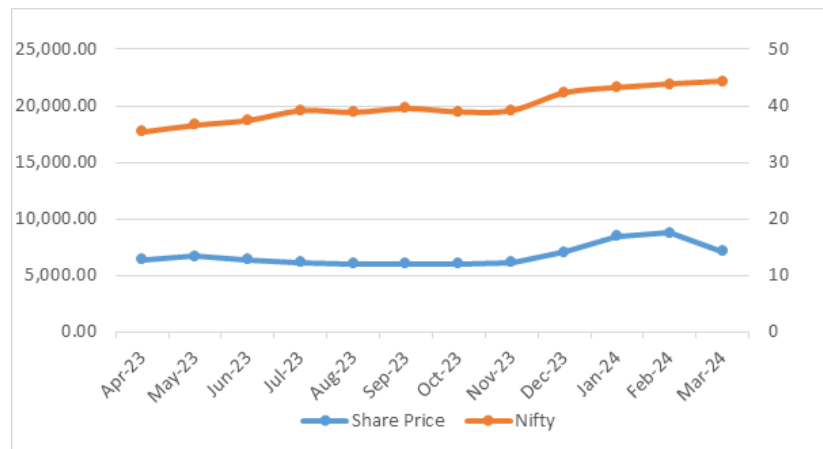
| Month | BSE (Average closing price) | | NSE (Average closing price) | |
|-----------------|-----------------------------|------------|-----------------------------|-----------|
| | Share Price | BSE Sensex | Share Price | Nifty 50 |
| April, 2023 | 12.75 | 60,011.70 | 12.76 | 17,710.67 |
| May, 2023 | 13.41 | 61,921.87 | 13.40 | 18,307.05 |
| June, 2023 | 12.75 | 63,134.72 | 12.77 | 18,726.77 |
| July, 2023 | 12.32 | 66,110.14 | 12.28 | 19,586.00 |
| August, 2023 | 12.03 | 65,400.85 | 12.02 | 19,438.28 |
| September, 2023 | 12.14 | 66,438.75 | 12.10 | 19,786.04 |
| October, 2023 | 12.10 | 65,307.98 | 12.10 | 19,481.66 |
| November, 2023 | 12.37 | 65,426.55 | 12.35 | 19,599.16 |
| December, 2023 | 14.05 | 70,448.10 | 14.06 | 21,165.99 |
| January, 2024 | 16.89 | 71,695.45 | 16.93 | 21,631.89 |
| February, 2024 | 17.48 | 72,235.27 | 17.50 | 21,947.27 |
| March, 2024 | 14.29 | 73,200.04 | 14.22 | 22,187.31 |

BSE Sensex




CORPORATE GOVERNANCE REPORT (Contd.)

Nifty 50



H. In case the securities are suspended from trading, reason thereof:

Not applicable, since the securities of the Company have not been suspended from trading during the year.

I. Registrar to issue and share transfer agents:

Link Intime India Private Limited,

C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083.

Contact Person: Sharmila Amin

Email: rnt.helpdesk@linkintime.co.in

Fax : 022 - 4918 6000/49186060

J. Share Transfer System:

Link Intime India Private Limited is the Registrar and Share Transfer Agent of the Company. Transfer of physical shares are approved by the Board of Directors or the Stakeholders Relationship Committee which meets at opportune time and if the documents are complete and in order in all respects, the same are registered and returned to the transferees within the stipulated time.

K.

i. Distribution of Shareholding as on 31st March, 2024:

| Shares range | No. of Shareholders | % of Shareholders | No. of Shares | % of total issued capital |
|---------------|---------------------|-------------------|-----------------|---------------------------|
| 1 - 500 | 17536 | 83.72 | 1745014 | 7.90 |
| 501 - 1000 | 1545 | 07.37 | 1283845 | 5.81 |
| 1001- 2000 | 882 | 04.21 | 1378729 | 6.24 |
| 2001 - 3000 | 306 | 01.46 | 797824 | 3.61 |
| 3001 - 4000 | 142 | 0.678 | 507810 | 2.29 |
| 4001 - 5000 | 138 | 0.658 | 660911 | 2.99 |
| 5001 - 10000 | 213 | 01.01 | 1596405 | 7.22 |
| 10001 & Above | 182 | 0.869 | 14112071 | 63.90 |
| Total | 20944 | 100.00 | 22082609 | 100.00 |

CORPORATE GOVERNANCE REPORT (Contd.)
ii. Shareholding pattern as on 31st March, 2024:

| Sr. No. | Category of Shareholder | No. of Shareholders | Total no. of Shares | Total Shareholding as a percentage of total no. of Shares |
|------------|--|---------------------|---------------------|---|
| (A) | Shareholding of Promoter and Promoter Group(A)* | 8 | 30,44,807 | 13.79 |
| (B) | Public Shareholding | | | |
| (1) | Institutions | | | |
| (a) | Mutual Funds | 0 | 0 | 0 |
| (b) | Venture Capital Funds | 0 | 0 | 0 |
| (c) | Alternate Investment Funds | 0 | 0 | 0 |
| (d) | Foreign Venture Capital Investors | 0 | 0 | 0 |
| (e) | Foreign Portfolio Investor (Category I) | 1 | 93,126 | 0.42 |
| (f) | Financial Institutions/ Banks | 0 | 0 | 0 |
| (g) | Insurance Companies | 0 | 0 | 0 |
| (h) | Provident Funds / Pension Funds | 0 | 0 | 0 |
| | Sub Total (B) (1) | 1 | 93,126 | 0.42 |
| (2) | Central Government/ State Government(s)/ President of India | 0 | 0 | 0 |
| | Sub Total (B) (2) | 0 | 0 | 0 |
| (3) | Non-Institutions | | | |
| (a) | Individuals | 20,050 | 85,26,438 | 38.61 |
| | Individual shareholders holding nominal share capital upto Rs. 2 Lakhs | | | |
| | Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs | 69 | 70,21,173 | 31.80 |
| (b) | NBFC's registered with RBI | 0 | 0 | 0 |
| (c) | Employee Trusts | 0 | 0 | 0 |
| (d) | Overseas depositories (holding DRs) | 0 | 0 | 0 |
| (e) | Relative of Promoter | 1 | 36,820 | 0.16 |
| (f) | Any other: | | | |
| | Hindu Undivided Family | 290 | 8,22,607 | 3.37 |
| | NRI | 158 | 4,59,447 | 2.08 |
| | LLP | 2 | 5,41,530 | 2.45 |
| | Clearing Members | 2 | 489 | 0.02 |
| | Bodies Corporate | 71 | 15,36,172 | 6.96 |
| | Sub Total (B) (3) | 20,643 | 1,89,44,676 | 85.79 |
| | Total Public Shareholding (B) = (B)(1) + (B)(2)+(B)(3) | 20,664 | 1,90,37,802 | 86.21 |
| | Total (A) + (B) | 20,652 | 2,20,82,609 | 100 |
| (C) | Non Promoter - Non Public | | | |
| (1) | Shares Underlying DRs | 0 | 0 | 0 |
| (2) | Shares Held By Employee Trust | 0 | 0 | 0 |
| | Grand Total (A)+(B)+(C) | 20,652 | 2,20,82,609 | 100 |

The shareholding spread across various demat accounts are consolidated on the basis of Permanent Account Number pursuant to SEBI circular No. SEBI/HO/CFD/CMD/CIR/P/2017/ 128 dated 19th December, 2017.



CORPORATE GOVERNANCE REPORT (Contd.)

L. Dematerialization of shares:

The Company has signed agreements with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") and Link Intime India Private Limited (LIPL) to offer depository services to its shareholders and has paid respective charges for the benefit of the Members.

Your Company confirms that the entire Promoters' holding is in dematerialized form and the same is in line with the directives issued by the Securities and Exchange Board of India.

The shares of your Company are regularly traded at the BSE Limited and the National Stock Exchange of India Limited and hence have good liquidity.

Out of the total 2,20,82,609 equity shares of the Company, 2,20,81,095 equity shares representing 99.99% are in dematerialized form as on 31st March, 2024.

M. Outstanding Global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity:

NIL

N. Commodity price risk or foreign exchange risk and hedging activities:

The Company's operation does not involve dealings in traded commodities and hence the disclosure pursuant to SEBI Circular dated 15th November, 2018 is not applicable. During the financial year 2023-2024, the Company had no foreign exchange risk thereby no hedging activities were carried out.

O. Plant Locations:

The Company is not in the business of manufacturing of goods and does not have a manufacturing plant

P. Address for Correspondence:

Heads UP Ventures Limited
008, Peninsula Centre,
Dr. S. S. Rao Road,
Parel, Mumbai - 400 012
Tel: 022 - 24117743
Email: cs@huvl.in

Q. During financial year 2023-2024, the Company has not obtained any credit rating from rating agency.

R. Unclaimed Shares/Dividend

Pursuant to the provisions of Section 124 of the Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (including amendments thereof) read with circulars and notifications issued thereunder, dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to unpaid dividend account is required to be transferred by the Company to Investor Education and Protection Fund (IEPF).

During the financial year under review, the Company has transferred the unclaimed fractional entitlements held in the sale proceeds of fractional shares account with HDFC Bank Limited to the Investor Education and Protection Fund (IEPF) on 16th February, 2024. Apart from the aforesaid, the Company was not required to credit any unclaimed/unpaid Dividend as well as its underlying equity shares to IEPF.

10. Other Disclosures:

A. Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large:

NIL

B. Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:

| Sr. No | Particulars | Strictures/Penalties |
|-------------------|---|----------------------|
| FY 2023-24 | | |
| | During the year under review, the Company has complied with the requirement of various rules and regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India ('SEBI') or any other statutory authority and hence, no penalties or strictures have been imposed by any regulatory authority on the Company | |
| FY 2022-23 | | |
| | During the year under review, the Company has complied with the requirement of various rules and regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India ('SEBI') or any other statutory authority and hence, no penalties or strictures have been imposed by any regulatory authority on the Company | |

CORPORATE GOVERNANCE REPORT (Contd.)

| Sr. No | Particulars | Strictures/Penalties |
|-------------------|---|--|
| FY 2021-22 | | |
| 1 | Regulation 17(2) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 - Non-maintenance of prescribed time gap of 120 days between the meetings held on 9 th February, 2021 and 17 th August, 2021 | As per the Management, the delay caused was due to the 2 nd wave of COVID-19 pandemic coupled with resignation of two senior independent directors in the month of June, 2021. On resumption of normalcy, the Company had fulfilled the requirement of the prescribed composition of the Board of Directors and Committees thereof well within the time frame pursuant to the provisions of the said regulations |
| 2 | Regulation 33 of SEBI (LODR) Regulations, 2015 (delay in submission of Audited Financial Results for the quarter and financial year ended 31 st March, 2021) | NSE- Levied Penalty of INR 1,45,000/- Current Status: Written submissions/review application is being made by the Company for waiver of penalty levied by the NSE and response from NSE is awaited as on the date of this report BSE- Levied Penalty of INR 1,45,000/- Current Status: Written submissions/review application is being made by the Company for waiver of penalty levied by the BSE and response from BSE is awaited as on the date of this report |
| 3 | Regulation 33 of SEBI (LODR) Regulations, 2015 (delay in submission of Unaudited Financial Results for the quarter ended 30 th June, 2021) | NSE- Levied Penalty of INR 45,000/- Current Status: Written submissions/review application is being made by the Company for waiver of penalty levied by the NSE and response from NSE is awaited as on the date of this report BSE- Levied Penalty of INR 45,000/- Current Status: Written submissions/review application is being made by the Company for waiver of penalty levied by the BSE and response from BSE is awaited as on the date of this report |
| FY 2020-21 | | |
| 1 | Regulation 44(3) of SEBI (LODR) Regulations, 2015 (delay in submission of Postal Ballot Results) | NSE- Levied Penalty of INR 10,000/- Current Status: On the basis of the representations made to the Stock Exchange by the Company for waiver of penalty, NSE has waived the fine and the matter is disposed off BSE- Levied Penalty of INR 10,000/- Current Status: Written submissions/review application is being made by the Company for waiver of penalty levied by the BSE and response from BSE is awaited as on the date of this report |
| 2 | Regulation 17(1) of the Listing Regulations (non-maintenance of minimum number of directors on the Board of the Company) | NSE- Levied Penalty of INR 4,55,000/- for June, 2020 and INR 4,60,000/- for September, 2020. Current Status: On the basis of the representations made to the Stock Exchange by the Company for waiver of penalty, NSE has waived the fine and the matter is disposed off |
| 3 | Regulation 33 of SEBI (LODR) Regulations, 2015 (delay in submission of Audited Financial Results for the year and quarter ended 31 st March, 2020) | NSE- Levied Penalty of INR 80,000/- Current Status: On the basis of the representations made to the Stock Exchange by the Company for waiver of penalty, NSE has waived the fine and the matter is disposed off BSE- Levied Penalty of INR 80,000/- Current Status: Written submissions/review application is being made by the Company for waiver of penalty levied by the BSE and response from BSE is awaited as on the date of this report |



CORPORATE GOVERNANCE REPORT (Contd.)

| Sr. No | Particulars | Strictures/Penalties |
|--------|--|---|
| | Regulation 33 of SEBI (LODR) Regulations, 2015 (delay in submission of Audited Financial Results for the year and quarter ended 30 th June, 2020) | NSE- Levied Penalty of INR 1,55,000/- Current Status: On the basis of the representations made to the Stock Exchange by the Company for waiver of penalty, NSE has waived the fine and the matter is disposed off BSE- Levied Penalty of INR 1,55,000/- Current Status: Written submissions/review application is being made by the Company for waiver of penalty levied by the BSE and response from BSE is awaited as on the date of this report |
| 4 | Regulation 23(9) of the Listing Regulations (delay in submission of details of Related Party Transactions for the half year ended 30 th September, 2020) | NSE- Levied Penalty of INR 10,000/- Current Status: The waiver request was rejected by NSE and requisite fine amounting to INR 10,000/- was remitted to NSE and the matter is disposed off BSE- Levied Penalty of INR 10,000/- Current Status: The waiver request was rejected by BSE and requisite fine amounting to INR 10,000/- was remitted to BSE and the matter is disposed off |
| 5 | Regulation 29 of the Listing Regulations (calling the Board Meeting at shorter notice period than prescribed period during declaration of audited financial results for the quarter and year ended 31 st March, 2020) | NSE- Levied Penalty of INR 10,000/- Current Status: On the basis of the representations made to the Stock Exchange by the Company for waiver of penalty, NSE has waived the fine and the matter is disposed off BSE- Levied Penalty of INR 10,000/- Current Status: On the basis of the representations made to the Stock Exchange by the Company for waiver of penalty, BSE has waived the fine and the matter is disposed off |

C. Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel have been denied access to the Audit Committee:

The Company has established a Vigil Mechanism, which includes a Whistle Blower Policy, for its Directors and Employees, to provide a framework to facilitate responsible and secure reporting of concerns of unethical behaviour, actual or suspected fraud or any instances of leak of unpublished price sensitive information or violation of the Company's Code of Conduct & Ethics. The details of establishment of Vigil Mechanism / Whistle Blower Policy are posted on the website of the Company and the weblink to the same is <https://huvl.in/codes-of-conduct/11-policy-on-vigil-mechanism-whistle-blower-mechanism/>. No Director / employee has been denied access to the Audit Committee.

D. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company constantly ensures compliance with all the mandatory requirements of the Listing Regulations. The status of compliances with the non-mandatory requirements specified in Part E of Schedule II have been included in this Report.

E. Weblink where policy for determining material subsidiaries is disclosed:

Not applicable since the Company does not have any Subsidiary during the year under review.

F. Weblink where policy on dealing with related party transactions is disclosed:

<https://huvl.in/codes-of-conduct/2-policy-on-related-party-transactions/>

G. Disclosure of commodity price risks and commodity hedging activities:

Not applicable as the Company does not deal in the traded commodities.

H. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

Not applicable as during the financial year 2023-24 the Company did not raise funds through preferential allotment or qualified institutional placement.

I. A certificate has been received from Mr. Shreya Shah, Practicing Company Secretary, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the

CORPORATE GOVERNANCE REPORT (Contd.)

Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority. The certificate is annexed herewith.

J. During the financial year 2023-2024, there were no instances where the Board of Directors of the Company had not accepted any recommendation of any of its committee which is mandatorily required to be constituted.

K. Total fees for all services paid by the listed entity to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is detailed in Note. 32 of Financial Statements which is forming part of this report.

L. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- a. number of complaints filed during the financial year : NIL
- b. number of complaints disposed of during the financial year : NIL
- c. number of complaints pending as on end of the financial year: NIL

M. Disclosure of Loans and advances (in the nature of loans) given by the Company to any firms/companies, in which directors are interested:

As on 31st March, 2024, the Company has not given any Loans and advances (in the nature of loans) to any firms/companies, in which directors are interested. The Company has given inter corporate deposit to Pro Fin Financial Services Limited and Milgrey Finance and Investment limited, in which director are not interested.

N. Details of Material Subsidiaries of the Listed Entity, including the date and place of Incorporation and the Name and Date of Appointment of Statutory Auditors of such Subsidiaries:

The Company has no subsidiary, Joint Venture and Associate Company as on 31st March, 2024.

M. The disclosures of the compliance with corporate governance requirements specified in regulation

17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46:

The Company has complied with the corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub - regulation (2) of Regulation 46.

N. Disclosures with respect to demat suspense account/ unclaimed suspense account

1. Aggregate no. of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year
Shareholders - 4
Outstanding Equity Shares - 139
2. No. of shareholders who approached the issuer for transfer of shares from the Suspense Account during the year -
3. No. of shareholders to whom shares were transferred from Suspense account during the year -
4. Aggregate no. of shareholders and the outstanding shares lying in the Suspense Account at the end of the year
Shareholders - 4
Outstanding Equity Shares - 139

The voting rights on the aforesaid shares lying in the Suspense Account shall remain frozen till the rightful owners of such shares claims the shares.

O. Disclosure of certain types of agreements binding listed entities

Information disclosed under clause 5A of paragraph A of Part A of Schedule III of these regulations.

**For and on behalf of the Board of Directors
Heads UP Ventures Limited**

Hansraj Rathor
Managing Director
DIN: 07567833

Priyavrat Mandhana
Non- Executive Director
DIN: 02446722

Place : Mumbai

Date : 9th May, 2024



CORPORATE GOVERNANCE REPORT (Contd.)

DECLARATION UNDER SCHEDULE V (D) OF THE SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING ADHERENCE TO THE CODE OF CONDUCT:

To the best of my knowledge and belief, this is to affirm and declare, on behalf of the Board of Directors of the Company and senior management personnel, that:

- a. The Board of Directors has laid down a Code of Conduct, Ethics and Business Principles for all Board Members and Senior Management of the Company [‘the Code of Conduct’];
- b. The Code of Conduct has been posted on the website of the Company;
- c. All the Board Members and Senior Management Personnel have affirmed their compliance and adherence with the provisions of the Code of Conduct for the financial year ended 31st March 2024.

**For and on behalf of the Board of Directors
and Senior Management Personnel**

Hansraj Rathor
Managing Director
DIN: 07567833

Place : Mumbai
Date : 9th May, 2024

COMPLIANCE CERTIFICATE PURSUANT TO REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

To,
The Board of Directors,
Heads UP Ventures Limited

We, undersigned in our capacity as the Managing Director and Chief Financial Officer of **Heads UP Ventures Limited** (Formerly known as The Mandhana Retail Ventures Limited) (“the Company”), to the best of our knowledge and belief, certify that:

- a) We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2024 and based on our knowledge and belief:
 - i. these statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company’s affair and are in compliance with the existing Accounting Standards, applicable Laws and Regulations.
- b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of Company’s Code of Conduct.
- c) We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the Internal Control Systems of the Company pertaining to financial reporting and we have not come across any reportable deficiencies in the design or operation of such internal controls.

- d) We have indicated to the Auditors and Audit Committee:
 - i. significant changes, if any, in the internal control over financial reporting during the year;
 - ii. significant changes, if any, in the accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which we have become aware and involvement therein, if any, of the management or an employee having a significant role in the Company’s internal control system over financial reporting.

For Heads UP Ventures Limited
(Formerly The Mandhana Retail Ventures Limited)

Hansraj Rathor
Managing Director
DIN: 07567833

Place : Mumbai
Date : 9th May, 2024

Vishal Parikh
Chief Financial Officer
PAN: AKNPP6148D

CORPORATE GOVERNANCE REPORT (Contd.)**INDEPENDENT AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015****To the Members of
Heads UP Ventures Limited**

1. This certificate is issued in accordance with the terms of our engagement letter dated 29th September, 2021.
2. This report contains details of compliance of conditions of corporate governance by Heads UP Ventures Limited ('the Company') for the year ended 31 March 2023 as stipulated in regulations 17-27, clause (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ('Listing Regulations') pursuant to the Listing Agreement of the Company with the National Stock Exchange of India Limited and the BSE Limited (collectively referred to as the 'Stock exchanges').

Management's Responsibility for compliance with the conditions of Listing Regulations

3. The compliance with the terms and conditions contained in the Corporate Governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

Auditor's Responsibility

4. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended 31st March, 2024.
6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purpose (Revised 2016) (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restrictions on use

10. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirements of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Ram Agarwal & Associates
Chartered Accountants
Firms Registration No. 140954W

Ram Mahesh Agarwal
Partner
Membership No. 110146
UDIN:

Place : Mumbai
Date : 9th May, 2024



CORPORATE GOVERNANCE REPORT (Contd.)

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
HEADS UP VENTURES LIMITED
Mumbai

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **HEADS UP VENTURES LIMITED** having CIN - L52390MH2011PLC213349 and having Registered Office situated at Plot No.E -132, M.I.D.C., Tarapur Industrial Area, Boisar 401506 (hereinafter referred as "the Company") to the Board of Directors of the Company ("the Board") for the Financial Year 2023-24 and relevant registers, records, forms and returns maintained by the Company and as made available for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V Para C Clause 10(i) of SEBI (LODR) Regulations, 2015.

Based on the verification and examination of aforesaid documents including Directors Identification Number (DIN) status at the Ministry of Corporate Affairs (MCA) portal www.mca.gov.in and the List of disqualified Directors published by the MCA, in my opinion and to the best of my information and knowledge and according to the explanations provided by the Company, its officers and authorized representatives, I hereby certify that during the Financial Year ended 31st March 2024, none of the Directors on the Board of the Company, as listed hereunder have been debarred or disqualified from being appointed or continuing to act as Directors of Companies by Securities and Exchange Board of India/ MCA or any such statutory authority.

| Sr. No. | Name of the Director | DIN | Date of appointment ¹ |
|---------|-----------------------------------|----------|----------------------------------|
| 1. | Priyavrat Mandhana | 02446722 | 05-08-2016 |
| 2. | Pravin Navandar | 02810786 | 17-08-2021 |
| 3. | Neeraj Bala | 07193192 | 27-03-2024 |
| 4. | Sudhir Kumar Arya | 02414512 | 27-03-2024 |
| 5. | Hansraj Rathor | 07567833 | 01-02-2024 |
| 6. | Roshan Ravindra More ² | 10286680 | 21-08-2023 |

It is the responsibility of Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Act and ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion based on verification.

This Certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report of the Financial Year ended 31st March 2024.

Date : 9th May 2024

Place : Mumbai

SHREYA SHAH
Mem No. A39409/CoP: 15859
UDIN: A039409F000338026
Peer Review Certificate No.: 1696/2022

¹ The date of appointment is as per the MCA Portal

² Mr. Roshan Ravindra More ceased to be Director w.e.f. 1st April, 2024

INDEPENDENT AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To the Members of HEADS UP VENTURES LIMITED

1. This certificate is issued in accordance with the terms of our appointment letter dated 29th September, 2021.
2. This report contains details of compliance of conditions of corporate governance by Heads UP Ventures Limited ("the Company") for the year ended 31 March 2024 as stipulated in regulations 17-27, clause (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ('Listing Regulations') pursuant to the Listing Agreement of the Company with the National Stock Exchange of India Limited and the BSE Limited (collectively referred to as the 'Stock exchanges').

Management's Responsibility for compliance with the conditions of Listing Regulations

3. The compliance with the terms and conditions contained in the Corporate Governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

Auditor's Responsibility

4. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended 31 March 2024.
6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above- mentioned Listing Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

10. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Ram Agarwal & Associates
Chartered Accountants
Firm's Registration No: 140954W

Rammahesh Agarwal
Partner
Membership No: 110146
UDIN: 24110146BKGUWB7661

Place : Mumbai
Date : 09th May, 2024



INDEPENDENT AUDITOR'S REPORT

To the Members of
HEADS UP VENTURES LIMITED

Report on the Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the accompanying financial statements of **Heads UP Ventures Limited** ("the Company"), which comprise the balance sheet as at 31 March 2024 and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

We do not express an opinion on the accompanying financial statements of the Company. In view of the significance of the matter described in the "Basis for Disclaimer of Opinion" section of our report, we have not been able to obtain sufficient appropriate audit evidence regarding whether the use of going concern assumption is appropriate or not. Therefore, we are unable to conclude as to whether the aforesaid financial statements are presented in accordance with the applicable accounting standards and other recognized accounting practices and policies.

Basis for Disclaimer of Opinion

We draw attention to Note No.8 in the standalone financial statement for the payment of Inter-corporate deposits (ICD) given to Milgrey Finance & Investment Limited amounting to Rs.619.50 Lakhs and to Pro Fin Capital Services Limited amounting to Rs.130.00 Lakhs both outstanding as on 31st March, 2024. Our review of these transactions however noted that adequate and appropriate process for KYC verification, related correspondences made with respective party and in obtaining other relevant documentation has not been followed, although parties have confirmed balances as on 31st March, 2024. However, we are unable to determine the authenticity of these transactions.

We draw attention to Note No. 37 of the standalone financial statements regarding preparation of the financial statements on going concern basis. Although the Company had launched its new brand "HUP" and had some initial business but no major success has been achieved. In fact, company has sold all merchandise stocks of the new brand as stock clearance sales during the current year and has no further plans (i.e. no purchase / sales orders) of carrying out business. As we are unable to obtain sufficient and appropriate audit evidence about future business transaction thereof and based on its current business operations, we are of the view that the Company has ceased to be a going concern. The Management and the Board of Directors however believes that the Company will be able to meet all its existing contractual obligations and liabilities as they fall due in near future and therefore these standalone financial statements are prepared based on going concern basis.

We draw attention to Note No.38 of the standalone financial statement regarding outstanding amount of Rs.347.33 lakhs from Texwiz Private Limited,, wherein neither balance confirmation has been received from the party nor any provisions has been made in the financial statements, despite amounts being outstanding for more than two years.

Emphasis of Matter

We draw attention to Note No. 39 of the standalone financial statements regarding Cheque of Rs.68.54 lakhs drawn of ICICI Bank dated 30th March 2024 from its director regarding balance outstanding of Security Deposit Amount. The said cheque is yet to be deposited / encashed hence being shown as Cheque in Hand as of 31st March 2024.

Our opinion is not modified in respect of this matter.

Information Other than the Standalone financial statements and Auditor's Report thereon

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

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

In connection with our audit of the Standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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.

INDEPENDENT AUDITOR'S REPORT (Contd.)

Responsibilities of Management and Those Charged with Governance 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 ('Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring 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 financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors 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 Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct an audit of the Company's financial statements in accordance with Standards on Auditing and to issue an auditor's report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the Company in accordance with the Code of Ethics and provisions of the Act that are relevant to our audit of the financial statements in India under the Act, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics and the requirements under the Act.

Report on Other Legal and Regulatory Requirements

- (i) As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs of the Order, to the extent applicable.
- (ii) (A) As required by section 143(3) of the Act, read with the paragraph related to Basis for Disclaimer of Opinion, 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 (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) Due to the possible effects of the matter described in the Basis of Disclaimer Opinion paragraph, we are unable to state whether the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act.
 - e) The matter described in Basis for Disclaimer of Opinion paragraph could have an adverse effect on the functioning on the Company.
 - f) On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act.
 - g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".



INDEPENDENT AUDITOR'S REPORT (Contd.)

- (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a) The Company has disclosed the impact of pending litigations on its financial position in its financial statements as at 31 March 2024. Refer Note 35 to the financial statements.
 - b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - d) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the company or
 - provide any guarantee, security or the like to or on behalf of Ultimate Beneficiaries;(ii) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person or entities, including foreign entities ("Funding parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
 - Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d)(i) and (d)(ii) contain any material misstatement; and
 - e) During the year company has not declared any dividend in compliance to section 123 of the Act.
 - f) Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account for the year ended 31st March, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered.
- (c) With respect to the matter to be included in the Auditors' Report under section 197(16) of the Act:
- (i) In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) of the Act which are required to be commented upon by us.

For, Ram Agarwal & Associates
Chartered Accountants
Firm Registration Number. 140954W

Ramhesh Agarwal
Partner
Membership Number. 110146
UDIN: 24110146BKGUWD8507

Place : Mumbai
Date : 09-05-2024

INDEPENDENT AUDITOR'S REPORT (Contd.)

ANNEXURE A

TO THE INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS OF THE HEADS UP VENTURES LIMITED FOR THE YEAR ENDED 31 MARCH 2024

With reference to the **Annexure A** referred to in the Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2024, we report the following:

(Referred to in paragraph (i) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) In respect of Property, Plant and Equipment:
- A. (a) According to the information and explanation given to us, the Company is in the process of maintenance of proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (b) The Company has maintained proper records showing full particulars of intangibles assets.
 - B. As explained to us, The Company has a regular programme of physical verification of its Property, Plant and Equipment and verified regularly at reasonable intervals. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In our opinion and according to information and explanations given to us, no material discrepancies were noticed upon such verification during the year.
 - C. According to the information and explanations given to us and on the basis of our examination of the records of the Company, The Company does not have any immovable property as on 31st March, 2024 and hence, clause 3 (i) (c) of the Order is not applicable to the Company.
 - D. The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024.
 - E. There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) In Respect of Inventory
- (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventories during the year. Further, at the yearend company has clear all his inventories (Including dead stock) stock clearance sale to the customers.
 - (b) The Company has availed overdraft facility from the ICICI bank for working capital during year on the basis of security however the company has not utilized bank overdraft facility during the year. Further, there is no requirement to submit any quarterly statements to the bank.
- (iii) (a) During the year the company has not provided loans and advances in the nature of loans, provided guarantees and security to companies except disclosed below.

| | | (₹ In Lakhs) |
|------------|---|--------------|
| Sr No | Particulars | ICD* |
| (1) | Aggregate amount granted / provided/repaid during the year | |
| | To Others | 749.50 |
| (2) | Balance outstanding as at the balance sheet date in respect of above cases | |
| | To Others | 749.50 |

Note**": ICD = Inter corporate Deposit

- b) During the year the investment made and terms and conditions grant of all loans/guarantees provided are not, prima facie, prejudicial to the Company's interest.
- (c) The Schedule of repayment of loans and interest have been stipulated and repayment is regular.
- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted by the company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) There were no loans which had fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdue of the existing loans given to the same parties.



INDEPENDENT AUDITOR'S REPORT (Contd.)

- (f) Except as disclosed aforesaid table in para (iii) (a) the company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of Loans given. The Company has not made any Investments, nor given guarantee or security as covered by the provisions of sections 185 and 186 of the Act.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified the maintenance of cost accounting records under section 148(1) of the Act, for the product/services of the Company. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess, goods and services tax and other statutory dues which have not been deposited on account of any dispute as under:

| Name of Statute | Nature of Dues | Amount In ₹ Lakhs** | Period to which amount relates | Forum Where Dispute is Pending |
|---|---|------------------------|--------------------------------------|---|
| Maharashtra Good and Service Tax Department | ITC Mis-match | 8.14 | F.Y. 2016-17 | Deputy Commissioner of Sales Tax/Joint Commissioner of Sales Tax/Tribunal |
| Maharashtra Good and Service Tax Department | Non Filing of Return | 0.05 | F.Y. 2016-17 | |
| Central Goods and Services Tax Act, 2017 and State Goods and Services Tax Act, 2017 | Excess availment of ITC | 59.50 | F.Y. 2017-18 | Additional Joint Commissioner of CGST & C.Ex - Maharashtra |
| Central Goods and Services Tax Act, 2017 and State Goods and Services Tax Act, 2017 | Diallowance of TRANS 1 credit. | 67.86 | F.Y. 2017-18 | Commissioner of CGST & C.Ex - Maharashtra |
| Central Goods and Services Tax Act, 2017 and State Goods and Services Tax Act, 2017 | Mis-Match GSTR-2A/2B and 3B | 68.57 | F.Y. 2018-19 | Commissioner of CGST & C.Ex - Maharashtra |
| Central Goods and Services Tax Act, 2017 and State Goods and Services Tax Act, 2017 | Excess availment of ITC, due to mismatch in 3B & 2A statement | 97.73 | F.Y. 2018-19 | Commissioner of CGST & C.Ex - Maharashtra |
| Income Tax Act, 1961 | ICD taken considered unexplained cash credit | 163.09 | A.Y. 2018-19 | Commissioner of Income tax - Appeal - CIT(A) - Mumbai |
| Income Tax Act, 1961 | MAT credit not granted and calculation error. | 47.10 | A.Y. 2019-20 | ITO - Mumbai |
| Income Tax Act, 1961 | TDS - short payment & interest on delayed payment | 0.01 | A. Y 2020-21 | CPC - Income Tax Department - TDS |
| - Employee State Insurance Act | Non payment of ESIC on incentives paid to employees | 0.00 | F.Y. 2017-18 | Additional Commissioner/ Appellate Authority Maharashtra & Goa |

** The aforesaid amount is after considering pre-deposit amount of Rs.29.84 Lakhs (Previous year 20.13 Lakhs) and refund if any.

INDEPENDENT AUDITOR'S REPORT (Contd.)

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix) (c) of the Order is not applicable to the Company.
- (d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.
- (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud/ material fraud by the Company or no fraud / material fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by [cost auditor/ secretarial auditor or by us] in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) (a) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a),(b) and (c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) 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) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (xvi) (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (xvi) (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (xvi) (d) There are no other Companies part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has [incurred/not incurred] cash losses amounting to Rs. 426.30 Lakhs [taking into consideration the impact of main audit report qualification] in the current year and amounting to Rs.971.10 Lakhs [taking into consideration the impact of main audit report qualification] in the immediately preceding financial year respectively.
- (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.



INDEPENDENT AUDITOR'S REPORT (Contd.)

- (xix) On the basis of the financial ratios disclosed in note no. 37(B) to the financial statements, 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) In respect of other than ongoing projects, 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 no. 33 the financial statements.
- (xx) (b) There are no unspent amounts in respect of ongoing projects that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note No.34 to the financial statements.

For, Ram Agarwal & Associates
Chartered Accountants
Firm Registration Number. 140954W

Rammalesh Agarwal
Partner
Membership Number. 110146
UDIN: 24110146BKGUWD8507

Place : Mumbai
Date : 09-05-2024

INDEPENDENT AUDITOR'S REPORT (Contd.)

ANNEXURE B

TO THE INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS OF HEADS UP VENTURES LIMITED FOR THE YEAR ENDED 31 MARCH 2024

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of sub-section 3 of section 143 of the Companies Act, 2013

(Referred to in paragraph (ii)(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We have audited the internal financial controls with reference to financial statements of **Heads UP Ventures Limited** ("the Company") as of 31 March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 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 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were established and maintained and whether 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, 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 Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial controls with Reference to Financial Statements

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



INDEPENDENT AUDITOR'S REPORT (Contd.)

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. Further, considering the Disclaimer of Opinion in main audit report and the inherent limitations of internal financial controls with reference to financial statements, there are limitations in consideration of such controls operating as at the balance sheet date for the future operations of the Company.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls systems over financial reporting. Based on selective verification of risk control matrixes, data made available to us digitally, such internal financial control over financial reporting were operating effectively as at March 31, 2024. Based on the internal financial controls with reference to financial statements 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").

For, Ram Agarwal & Associates
Chartered Accountants
Firm Registration Number. 140954W

Rammahesh Agarwal
Partner
Membership Number. 110146
UDIN: 24110146BKGUWD8507

Place : Mumbai
Date : 09-05-2024

STATEMENT ON IMPACT OF AUDIT QUALIFICATIONS (FOR AUDIT REPORT WITH MODIFIED OPINION) SUBMITTED ALONG-WITH ANNUAL AUDITED FINANCIAL RESULTS

Statement on Impact of Audit Qualifications for the Financial Year ended 31st March, 2024

[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

| Sr. No. | Particulars | Audited Figures (as reported before adjusting for qualifications) (₹ in Lakh) | Adjusted Figures (audited figures after adjusting for qualifications) (₹ in Lakh) |
|---------|---|---|---|
| 1. | Turnover / Total income | 78.96 | 78.96 |
| 2. | Total Expenditure | 510.75 | 510.75 |
| 3. | Net Profit/(Loss) | (431.79) | (431.79) |
| 4. | Earnings Per Share | (1.96) | (1.96) |
| 5. | Total Assets | 1627.03 | 1627.03 |
| 6. | Total Liabilities | 1627.03 | 1627.03 |
| 7. | Net Worth | 1394.09 | 1394.09 |
| 8. | Any other financial item(s) (as felt appropriate by the management) | - | - |

Note: Figures in brackets represent negative number.

II Audit Qualification (each audit qualification separately):

a. Basis for Disclaimer of Opinion of Audit Qualification:

Extract of Disclaimer of Opinion:

We draw attention to Note No. 3 of the standalone financial statements regarding preparation of the financial statements on going concern basis. Although the Company had launched its new brand "HUP" and had some initial business but no major success has been achieved. In fact, company has sold all merchandise stocks of the new brand as stock clearance sales during the current year and has no further plans (i.e. no purchase / sales orders) of carrying out business. As we are unable to obtain sufficient and appropriate audit evidence about future business transaction thereof and based on its current business operations, we are of the view that the Company has ceased to be a going concern. The Management and the Board of Directors however believes that the Company will be able to meet all its existing contractual obligations and liabilities as they fall due in near future and therefore these standalone financial statements are prepared based on going concern basis.

We draw attention to Note No.4 of the standalone financial statement regarding outstanding amount of Rs.347.33 lakhs from Texwiz Private Limited., wherein neither balance confirmation has been received from the party nor any provisions has been made in the financial statements, despite amounts being outstanding for more than two years.

We draw attention to Note No.5 in the standalone financial statement for the payment of Inter-corporate deposits (ICD) given to Milgrey Finance & Investment Limited amounting to Rs.619.50

Lakhs and to Pro Fin Capital Services Limited amounting to Rs.130.00 Lakhs both outstanding as on 31st March, 2024. Our review of these transactions however noted that adequate and appropriate process for KYC verification, related correspondences made with respective party and in obtaining other relevant documentation has not been followed, although parties have confirmed balances as on 31st March, 2024. However, we are unable to determine the authenticity of these transactions.

Extract of Emphasis of Matter:

We draw attention to Note No. 6 of the standalone financial statements regarding Cheque of Rs.68.54 lakhs drawn of ICICI Bank dated 30th March 2024 from its director regarding balance outstanding of Security Deposit Amount. The said cheque is yet to be deposited / encashed hence being shown as Cheque in Hand as of 31st March 2024.

- b. Type of Audit Qualification:** Qualified Opinion / Disclaimer of Opinion / Adverse Opinion
- c. Frequency of qualification:** Whether appeared first time / repetitive / since how long continuing
- d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:** N.A.
- e. For Audit Qualification(s) where the impact is not quantified by the auditor:**
 - (i) Management's clarifications/revert on the impact of audit qualification:**

Extract of Note from the Management:

The Company's license arrangement with Being Human - The Salman Khan Foundation ('the Foundation'), which was the core asset



of the Company, which has been terminated in the financial year 2019-20. The Company has revisited its business strategy to address these uncertainty caused due to change in business model.

The discontinuation of the license agreement with the Foundation has coincided the Company had resumed business development activities in line with its proposed business plans prepared by the management and board of directors of the company. However, uncertainties still do exist considering current market scenario and development of new brand without brand Ambassador, regarding Company's ability to continue as a 'going concern'.

In the Current year company has acquired and registered brand "HUP" and "Device of Turtle" and developed its new range of products and made some progress in that direction. After commercial launch of the products and based on future business operations of the Company has certainty, that future cash flows and projected growth plans are critically dependent upon the materialization of viability of this event.

The Management and Board of directors has not shown any intention to liquidate the Company and in fact from the financial year starting from April - 2023 Company has started selling the inventories designed and manufactured. Accordingly, the financial results continue to be prepared on going concern basis which contemplates realization of assets and settlement of liabilities in the normal course of business and continuation of operations of the company under the brand.

Rs. 347.33 Lakhs is outstanding from Texwiz Private Limited since more than 2 years. The company is in the process of recovering the said amount from the parties.

The company has executed transaction regarding the Inter-corporate deposits (ICD) given to Milgrey Finance & Investment Limited amounting to Rs.619.50 Lakhs and

Pro Fin Capital Services Limited amounting to Rs.130.00 Lakhs. While we acknowledge the concerns raised by the auditor regarding whether proper procedure been followed for KYC norms and correspondence made.

The Management of the company has executed these transactions in the normal course of business and have necessary confirmations as on 31st March, 2024 and approvals. Also, these ICD's are recoverable on demand and or within the time period agreed.

Extract of the Management Revert on Emphasis Matter:

The Company has received the security deposit from its promoters/directors of Rs. 888.55 Lakhs, except Rs. 68.54 Lakhs which is due from Mr. Priyavrat Mandhana, a Non -Executive Director. Mr. Priyavrat Mandhana has submitted a cheque of Rs 68.54 Lakhs, bearing cheque number 000491 dated 30th March, 2024, in favour of the Heads UP Ventures Limited. However, the aforementioned cheque has not been deposited/encashed by the company, following a specific request from Mr. Priyavrat Mandhana to do so by 15th May, 2024

(ii) If management is unable to estimate the impact, reasons for the same: N.A.

(iii) Auditors' Comments on (i) or (ii) above: N.A.

III Signatories:

- Hansraj Rathor (Managing Director)
- Vishal Parikh (Chief Financial Officer)
- Audit Committee Chairman
- Rammahesh Agarwal

Partner M/s. Ram Agarwal & Associates,
Statutory Auditor
UDIN: 24110146BKGUWA6124

Place: Mumbai
Date : 09th May, 2024

**BALANCE SHEET AS AT 31ST MARCH, 2024**

(₹ In Lakhs)

| Particulars | Note No. | As at Mar 31, 2024 | As at Mar 31, 2023 |
|--|----------|-----------------------|-----------------------|
| Assets | | | |
| Non current assets | | | |
| (a) Property, plant and equipment | 3 | | |
| (i) Tangible assets | | 3.52 | 9.33 |
| (ii) Intangible assets | | 13.00 | 14.90 |
| (b) Other financial assets | 4 | 23.03 | 28.46 |
| (c) Income tax assets (net) | 5 | 64.48 | 69.18 |
| Total non current assets | | 104.03 | 121.87 |
| Current assets | | | |
| (a) Inventories | | - | 132.06 |
| (b) Financial assets: | | | |
| (i) Trade receivables | 6 | 92.31 | 112.35 |
| (ii) Cash and cash equivalents | 7 | 135.49 | 234.65 |
| (iii) Loans | 8 | 750.90 | 892.66 |
| (iv) Other financial assets | 9 | - | 4.38 |
| (c) Other current assets | 10 | 544.28 | 651.64 |
| Total current assets | | 1,522.98 | 2,027.74 |
| Total assets | | 1,627.03 | 2,149.61 |
| Equity and liabilities | | | |
| Equity | | | |
| (a) Equity share capital | 11 | 2,208.26 | 2,208.26 |
| (b) Other equity | 12 | (814.16) | (392.57) |
| Total equity | | 1,394.10 | 1,815.69 |
| Liabilities | | | |
| Non current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Provisions | 13 | 1.61 | 31.53 |
| Total non current liabilities | | 1.61 | 31.53 |
| Current liabilities | | | |
| (a) Financial liabilities: | | | |
| (i) Trade payables: | | | |
| - Total outstanding dues of micro enterprises and small enterprises | 14 | 3.78 | 19.99 |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises | | 9.69 | 20.72 |
| (ii) Other financial liabilities | 15 | 215.31 | 237.11 |
| (b) Other current liabilities | 16 | 2.37 | 16.98 |
| (c) Provisions | 17 | 0.18 | 7.60 |
| Total current liabilities | | 231.33 | 302.40 |
| Total liabilities | | 232.94 | 333.92 |
| Total equity and liabilities | | 1,627.03 | 2,149.61 |
| Significant accounting policies | 1 | | |
| Notes to the financial statements | 2-44 | | |

The accompanying notes form an integral part of these financial statements

As per our report of even date attached
For Ram Agarwal & Associates
Chartered Accountants
Firm's Registration No: 140954W

For and on behalf of the Board of Directors of
Heads UP Ventures Limited
(Formerly known as The Mandhana Retail Ventures Limited)

Rammahesh Agarwal
Partner
Membership No: 110146
UDIN:24110146BKGUWD8507

Hansraj Rathor
Managing Director
DIN: 07567833

Priyavrat Mandhana
Director
DIN: 02446722

Vishal Parikh
Chief Financial Officer
Membership No: 132586

Aishwarya Gupta
Company Secretary
Membership No: A55120

Mumbai
9 May 2024

Mumbai
9 May 2024



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

(₹ In Lakhs)

| Particulars | Note No. | Year ended MARCH 31, 2024 | Year ended MARCH 31, 2023 |
|--|-----------|------------------------------|------------------------------|
| Income | | | |
| a) Revenue from operations | 18 | 62.80 | 73.21 |
| b) Other income | 19 | 16.16 | 77.86 |
| Total income | | 78.96 | 151.07 |
| Expenses | | | |
| a) Purchase of stock in trade | 20 | 8.15 | 199.81 |
| b) Changes in inventories of stock in trade | 21 | 132.06 | -132.06 |
| c) Employee benefits expense | 22 | 181.96 | 356.21 |
| d) Finance costs | 23 | - | 49.23 |
| e) Depreciation and amortisation expense | 3 | 5.49 | 3.88 |
| f) Other expenses | 24 | 183.09 | 648.98 |
| Total expenses | | 510.75 | 1,126.05 |
| V. Profit/(loss) before Exceptional Items and Tax | | | |
| VI. Exceptional Items | | | |
| Profit/(Loss) before tax | | (431.79) | (974.98) |
| Tax expense: | 25 | | |
| - Current tax | | - | - |
| - Deferred tax | | - | - |
| - Tax adjustment for earlier years | | - | (9.45) |
| Less: MAT credit entitlement | | | |
| Total tax expense | | - | (9.45) |
| Profit/(Loss) for the year | | (431.79) | (965.53) |
| Other comprehensive income | | | |
| Items that will not be reclassified to profit or loss | | | |
| (i) Remeasurement gains/(loss) arising on defined benefit plan | 29 | 10.20 | 3.52 |
| (ii) Income tax related to (i) above | | | |
| Total other comprehensive income | | 10.20 | 3.52 |
| Total comprehensive income for the year | | (421.59) | (962.01) |
| Earnings per share (Face value of ₹ 10 each) | | | |
| Basic and diluted (₹) | 27 | (1.96) | (4.37) |
| Significant accounting policies | 1 | | |
| Notes to the financial statements | 2-44 | | |

The accompanying notes form an integral part of these financial statements

As per our report of even date attached
For **Ram Agarwal & Associates**
Chartered Accountants
Firm's Registration No: 140954W

For and on behalf of the Board of Directors of
Heads UP Ventures Limited
(Formerly known as The Mandhana Retail Ventures Limited)

Rammahesh Agarwal
Partner
Membership No: 110146
UDIN:24110146BKGUWD8507

Hansraj Rathor
Managing Director
DIN: 07567833

Priyavrat Mandhana
Director
DIN: 02446722

Vishal Parikh
Chief Financial Officer
Membership No: 132586

Aishwarya Gupta
Company Secretary
Membership No: A55120

Mumbai
9 May 2024

Mumbai
9 May 2024



STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2024

(₹ In Lakhs)

| Particulars | As on 31.03.2024 Audited | As on 31.03.2023 Audited |
|--|--------------------------------|--------------------------------|
| Cash flows from operating activities | | |
| Net loss before tax | (431.79) | (974.98) |
| Adjustments for: | | |
| Depreciation and amortisation expense | 5.49 | 3.88 |
| Sundry balances written back (net)/off | 8.76 | 73.19 |
| Loss on sale of PPE | 0.37 | - |
| Unrealised gain/loss on foreign currency translation (net) | - | 0.92 |
| Miscellaneous Income | - | (0.89) |
| Interest income on deposits | (16.16) | (76.97) |
| Provision for doubtful advances | - | 281.03 |
| Finance costs | - | 49.23 |
| Provision for doubtful debts | 28.45 | - |
| Operating cash flows before working capital changes | (404.89) | (644.59) |
| Working capital adjustments : | | |
| (Decrease)/Increase in other financial liabilities | (21.80) | 1.70 |
| (Decrease)/Increase in other liabilities | (14.65) | 5.59 |
| (Decrease)/Increase in provisions | (47.53) | 2.87 |
| (Decrease) in trade payables | (27.25) | (2.39) |
| Decrease/(Increase) in loans | 141.76 | 180.24 |
| (Increase) in other current assets | 103.00 | (375.64) |
| (Decrease) in Non Current Tax Assets | 4.70 | - |
| (Decrease) in Other Financials assets | 5.43 | (7.94) |
| Increase in inventories | 132.06 | (132.06) |
| (Increase)/Decrease in trade receivables | 20.04 | 26.04 |
| Decrease in other current financial assets | (4.38) | - |
| Cash generated from operating activities | (113.50) | (946.18) |
| Taxes paid (net of refunds) | - | - |
| Net cash flows from operating activities | (113.50) | (946.18) |
| Cash flows from investing activities | | |
| Purchase for property, plant and equipment including capital work in progress and capital advances | (2.74) | (15.63) |
| Sale for property, plant and equipment | 4.40 | - |
| Interest received (fixed deposits and inter corporate deposits) | 12.68 | 161.07 |
| Net cash used in investing activities | 14.35 | 145.44 |
| Cash flows from financing activities | | |
| Finance charges paid | - | (49.16) |
| Net cash used in financing activities | - | (49.16) |
| Net (decrease)/ increase in cash and cash equivalents | (99.15) | (849.90) |
| Cash and cash equivalents at the beginning of the year | 234.65 | 1,084.55 |
| Effect of exchange rate changes on cash and cash equivalents | - | - |
| Cash and cash equivalents at the end of the period | 135.49 | 234.65 |
| Reconciliation of cash and cash equivalents with the balance sheet | | |
| Cash and Cash equivalents as per Balance Sheet | 135.49 | 234.65 |
| Cash and Cash equivalents as at the period end | 135.49 | 234.65 |
| Significant accounting policies | 1 | |
| Notes to the financial statements | 2-44 | |

The accompanying notes form an integral part of these financial statements

As per our report of even date attached
For **Ram Agarwal & Associates**
Chartered Accountants
Firm's Registration No: 140954W

For and on behalf of the Board of Directors of
Heads UP Ventures Limited
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Director
DIN: 02446722

Vishal Parikh
Chief Financial Officer
Membership No: 132586

Aishwarya Gupta
Company Secretary
Membership No: A55120

Mumbai
9 May 2024

Mumbai
9 May 2024



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1. Company overview

Heads UP Ventures Limited (formerly known as The Mandhana Retail Ventures Limited ("the Company") was incorporated under the Companies Act, 1956 ("the Act") on 12th February, 2011. The Company was converted into a public limited company by getting its shares listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE) w.e.f. 14th December, 2016.

The Company's license arrangement with Being Human - The Salman Khan Foundation ('the Foundation'), which was the core asset of the Company, which has been terminated in the financial year 2019-20. The Company has revisited its business strategy to address these uncertainty caused due to change in business model. The discontinuation of the license agreement with the Foundation has coincided the Company had resumed business development activities in line with its proposed business plans prepared by the management and board of directors of the company. However, uncertainties still do exist considering current market scenario and development of new brand without brand Ambassador, regarding Company's ability to continue as a 'going concern'.

The Board of directors has not shown any intention to liquidate the Company. Accordingly, the financial results continue to be prepared on going concern basis which contemplates realization of assets and settlement of liabilities in the normal course of business and continuation of operations of the company under the brand.

The Board of Directors approved the standalone financial statements for the year ended March 31, 2024 and authorized for issue on May 09, 2024.

2. A. Basis of preparation of financial statements

a) Statement of compliance

These financial statements of the Company for the year ended 31st March, 2024 are prepared in accordance with Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as per the Companies Ind AS Rules, 2015 notified under Section 133 of the Companies Act, 2013 ('Act'), amendments thereto and other relevant provisions of the Act.

The standalone financial statements of the Company for the year ended 31st March, 2024 have been prepared on accrual and going concern basis and do not include any adjustments relating to recoverability and classification of recorded assets or to amounts and classification of liabilities that may be necessary, if the Company is unable to continue as a going concern.

b) Historical cost convention

The standalone financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and liabilities and employee benefit obligations that are measured at

fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

c) Functional and presentation currency

Items included in the standalone financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupee (Rs.) which is the Company's functional and presentation currency. All amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest lakh as per the requirement of Division II of Schedule III to the Act, unless otherwise stated.

d) Critical accounting judgments and key sources of estimation uncertainty

The preparation of the standalone financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets or liabilities affected in future periods. The Company continually evaluates these estimates and assumptions based on the most recently available information. Revisions to accounting estimates are recognized prospectively in the Statement of Profit and Loss in the period in which the estimates are revised and in any future periods affected. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

The areas involving critical estimates and judgments are:

i. Property, plant and equipment

Determination of the estimated useful lives of property, plant and equipment and the assessment of components of the cost that may be capitalised. Useful lives of tangible assets are based on the life prescribed in Schedule II of the Act. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. Assumptions also need to be made, when the Company assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)
ii. Valuation of inventories

Valuation of inventories comprises stock in trade at every reporting period end. Net realizable value of inventories is estimated basis the selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

iii. Defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined based on the prevailing market yields of Indian Government Securities as at the Balance Sheet date for the estimated term of the obligations.

iv. Impairment of non-financial assets

Impairment exists when the carrying value of an assets exceeds its recoverable amount, which is higher of its fair value less cost of disposal and its value in use. The value in use is determined based upon discounted cash flow model which is derived from the budget determined by the Company. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used.

v. Deferred tax assets

A deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized.

vi. Provisions and contingencies

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, past experience and circumstances known at the Balance Sheet date.

vii. Financial instruments

All financial instruments are required to be measured at fair value on initial recognition. In case of financial instruments which are required to be subsequently measured at amortised cost, interest is accrued using the effective interest method. Rate of interest is estimated basis the prevailing market interest rate or the rate applicable to the company on any other financial instrument.

viii. Leases

Ind AS 116 'Leases' requires a lessee to determine the lease term as the non-cancellable period of a lease adjusted with

any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying lease to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

e) Classification of assets and liabilities

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- i. it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- ii. it is held primarily for the purpose of being traded;
- iii. it is expected to be realized within twelve months after the reporting date; or
- iv. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Current assets include the current portion of noncurrent financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- i. it is expected to be settled in the Company's normal operating cycle;
- ii. it is held primarily for the purpose of being traded;
- iii. it is due to be settled within twelve months after the reporting date; or
- iv. the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)

Current liabilities include the current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle

Based on the nature of services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

B. Summary of significant accounting policies

a) Revenue recognition

Sale of goods

The Company derives revenues primarily from sale of traded goods.

Effective April 1, 2018, the Company has applied Ind AS 115 'Revenue from Contracts with Customers' which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 'Revenue'. There is no impact of the adoption of the new standard on the financial statements of the Company.

Revenue is recognised on satisfaction of performance obligation upon transfer of control of products to end customers in an amount that reflects the consideration the Company expects to receive in exchange for those products. The performance obligations in our contracts are fulfilled at the time of delivery.

Revenue is measured based on transaction price which is fair value of the consideration received or receivable, after deduction of any discounts, sales incentives / schemes and any taxes or duties collected on behalf of the government such as goods and services tax, etc.

Export Benefits

Export incentives (i.e. duty drawback and DEPB license) are recognized in the year on the basis of claims submitted to the appropriate authorities provided there is no uncertainty to expect ultimate collection at the time of making the claim.

Interest income

For all interest bearing financial assets measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

b) Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment

(PPE) are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost of an item of PPE comprises its purchase price, including import duties and other non-refundable taxes or levies, borrowing costs if any and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Expenditure/income during construction period is included under Capital work in progress, and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other non-current assets".

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

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in the Statement of Profit and Loss as incurred.

iii. Depreciation

Depreciation is provided on a pro-rata basis on the straight line method ('SLM') as per the useful life prescribed under Schedule II of the Companies Act, 2013, which, in management's opinion, reflect the estimates useful economic lives of fixed assets.

Leasehold improvements are amortized over the lease term. Depreciation for the year is recognised in the Statement of Profit and Loss.

The following table gives the useful life of different Property, plant and equipment as per Schedule II:

| Particulars | Useful Life |
|----------------------------------|--------------------|
| Office equipment | 5 years |
| Desktops/laptops and accessories | 3 years |
| Motor Car | 6 years |

iv. De-recognition

An item of property, plant and equipment is eliminated from the standalone financial statement on disposal or when no further benefit is expected from its use and disposal.

Losses arising from retirement or gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)
v. Impairment of property, plant and equipment

The carrying values of assets at each Balance Sheet date are reviewed for impairment if any indication of impairment exists.

c) Intangible assets
i. Recognition and measurement

Intangible assets are recognized only when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of such assets can be measured reliably. Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss. All costs relating to the acquisition are capitalized.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

iii. Amortisation

Intangible assets are amortised over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset.

The useful lives are reviewed by the management at each financial year-end and revised, if appropriate. In case of a revision, the unamortized depreciable amount is charged over the revised remaining useful life.

Amortisation for the year is recognised in the Statement of Profit and Loss.

iv. De-recognition

An intangible asset is de-recognised on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss.

v. Impairment of intangible assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Management periodically assesses using,

external and internal sources, whether there is an indication that an asset may be impaired.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price or value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss is recognized as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years. In case of revalued assets, such reversal is not recognized.

d) Leases

The Company assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- i. the contract involves the use of identified asset;
- ii. the Company has substantially all of the economic benefits from the use of the asset through the period of lease; and
- iii. the Company has the right to direct the use of the asset.

As a lessee

The Company will recognize a right-of-use asset ("ROU") and a lease liability at the lease commencement date if any. The ROU is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The ROU is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprises fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the ROU, or is recorded in Statement of Profit or Loss if the carrying amount of the ROU has been reduced to zero.

Lease Liabilities are presented in 'Financial Liabilities' and the 'ROU Asset' is presented separately in the Balance Sheet. Lease payments are classified as financing activities in the Statement of Cash Flows.

Short-term leases and leases of low-value assets

The Company has elected not to recognise ROU and lease liabilities for short term leases that have a lease term of 12 months or lower and leases of low value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term. The related cash flows are classified as Operating activities in the Statement of Cash Flows.

As a Lessee

Operating Leases

Lease rentals are charged or recognised in the Statement of Profit and Loss on a straight-line basis over the lease term, except where the payments are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increase.

Finance Leases

Assets held under finance leases are recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the Statement of Profit and Loss.

e) Inventories

Inventories comprise of stock in trade which are carried at the lower of cost and net realizable value. Cost is determined on first in first out ("FIFO") basis.

Cost of stock in trade comprises of all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

f) Foreign currency transactions and translations

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Exchange differences arising on foreign exchange transactions settled during the period are recognized in the Statement of Profit and Loss of the year.

Monetary assets and liabilities in foreign currency, which are outstanding as at the year-end, are translated at the year-end at the closing exchange rate and the resultant exchange differences are recognized in the Statement of Profit and Loss. Non-monetary foreign currency items are carried at cost.

g) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)

and a financial liability or equity instrument of another entity.

i. Financial assets
Classification

The Company shall classify financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

Initial recognition and measurement

Financial assets are recognised when the Company becomes a party to a contract that gives rise to a financial asset of one entity or equity instrument of another entity. Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, other than those designated as fair value through profit or loss (FVTPL), are added to or deducted from the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at FVTPL are recognised immediately in Statement of Profit and Loss.

Measurement of fair values

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market of the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes financial assets into three levels. As described as follows, these levels are based on the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and lowest

priority to unobservable inputs (level 3 inputs).

Level 1: Fair value based on quoted, unadjusted prices on active markets

Level 2: Fair value based on parameters for which directly or indirectly quoted prices on active market are available

Level 3: Fair value based on parameters for which there is no observable market data

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Subsequent measurement

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- The entity's business model for managing the financial assets and
- The contractual cash flow characteristics of the financial asset.

Amortised cost

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily de-recognised (i.e. removed from the Company's Balance Sheet) when:

- i. The rights to receive cash flows from the asset have expired, or
- ii. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
 - (a) The Company has transferred



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)

substantially all the risks and rewards of the asset, or

- (b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

Financial assets of the Company comprise of trade receivable and other receivables consisting of debt instruments such as security deposits and bank balance. Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. An impairment loss for trade and other receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Impairment losses if any, are recognised in Statement of Profit and Loss for the year.

The Company recognises loss allowance using expected credit loss model for financial assets which are not measured at Fair Value Through Profit or Loss. Expected credit losses are weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at original effective

rate of interest. For Trade receivables, the Company measures loss allowance at an amount equal to lifetime expected credit losses. The Company computes expected credit loss allowance based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

ii. Financial liabilities

Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss.

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognized. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)
h) Employee benefits
Short-term employee benefits

Employee benefits payable wholly within twelve months of rendering the service 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 expected to be paid in exchange for the employee service is recognized as an expense as the related service is rendered by the employee. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

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 to Provident Fund, ESIC and Labour Welfare Fund are recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders related service.

Defined Benefit Plan

The Company's gratuity benefit scheme is a defined benefit plan covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Company's net obligation in respect of the defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any assets are deducted. The calculation of the Company's obligation under the plans is performed annually by a qualified actuary using the projected unit credit method at the Balance Sheet date.

Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, are recognised immediately in other comprehensive income (OCI). The service and interest cost related to defined benefit plans are recognised in employee benefits in the Statement of Profit and Loss. When the benefits of a plan are improved, the portion of the increased benefit related to past service by employees is recognised in the Statement of Profit and Loss on a straight line basis over

the average period until the benefits become vested. The Company recognises gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

i) Taxation

Income-tax expense comprise current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit if the (reflecting the tax effects of timing differences between accounting income and taxable income for the period). It is recognised in Statement of Profit and Loss except to the extent that it relates to items recognised directly in equity or in OCI.

Current tax

Current tax is measured at that amount expected to be paid to (recovered from) the taxation authorities, on the taxable income or loss determined in accordance with Income Tax Act, 1961 and includes any adjustment to the tax payable or receivable in respect of previous years.

Deferred tax

Deferred tax is provided, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Tax relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Statement of Profit and Loss. A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that future taxable profits will be available.

j) Impairment of non-financial asset (excluding inventories and deferred tax assets)

Non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)

group of assets to which it belongs for which there are separately identifiable cash flows; its cash generating units ('CGUs').

k) *Earnings per share*

Basic and diluted earnings per share are computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- i. the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- ii. the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

l) *Borrowing costs*

Borrowing costs are interest and other costs related to borrowing that the Company incurs in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing. Borrowing costs include interest costs measured at Effective Interest Rate (EIR) and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Ancillary borrowing costs are amortised over the tenure of the loan.

Borrowing costs that are attributable to acquisition or construction of qualifying assets are capitalized as a part of cost of such assets till the time the asset is ready for its intended use. A qualifying assets is the one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are recorded as an expense in the year in which they are incurred. Ancillary borrowing costs are amortised over the tenure of the loan.

m) *Provisions, Contingent liabilities and Contingent assets*

Provisions are recognized when the Company recognizes that it has a present obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated. Provisions are measured at the present value of managements best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the

time value of money and the risks specific to the liability. The increase in the provision due to passage of time is recognised as interest expense.

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred and the amount can be estimated reliably

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognized in financial statements.

n) *Cash and Cash equivalents*

Cash and cash equivalents comprise cash-in-hand and cash on deposits with banks and financial institutions. 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 amount of cash to be cash equivalents.

o) *Segment reporting*

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Chief Executive officer assesses the financial performance and position of the Company, and makes strategic decisions. He is identified as being the chief operating decision maker for the Company. The Company has only one business segment, which is trading in garments and company generates revenue majorly from Domestic sales along with some export sales. Accordingly, the amounts appearing in these financial statements relate to this one business segment.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment assets include all operating assets used by the business segment and consist principally of fixed assets, trade receivables and inventories. Segment liabilities include operating liabilities pertaining to the segment.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)

Segment revenue, segment results, segment assets and segment liabilities include the respective amounts identifiable to each segment as also the amount allocable on a reasonable basis.

Segment assets and liabilities that cannot be allocated between the segments are shown as part of unallocated assets and liabilities respectively. Income and expenses relating to the enterprise as a whole and not allocable on a reasonable basis to business segment are reflected as unallocated income and expense.

p) Events after the reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed as at the end of the reporting period, the impact of such events is adjusted within the standalone financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

q) Ind AS 103 - Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired, and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

r) Ind AS 16 - Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognize such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

s) Ind AS 37 - Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification, and the Company does not expect the amendment to have any significant impact in its financial statements.

t) Recent Pronouncements relating to Provident Fund and Gratuity Act

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

u) Recent Pronouncements relating to Indian Accounting standard

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2024 (Contd.)

3. Property, plant and equipment and capital work in progress

₹ in Lakhs

| Particulars | Gross block | | | Accumulated depreciation | | | | Net block | |
|----------------------------|----------------------------|-------------|---|-----------------------------|----------------------------|---------------------|---|-----------------------------|-----------------------------|
| | Balance as at 1 April 2023 | Additions | Deductions / Adjustments (Refer note below) | Balance as at 31 March 2024 | Balance as at 1 April 2023 | Charge for the year | Deductions / Adjustments (Refer note below) | Balance as at 31 March 2024 | Balance as at 31 March 2024 |
| TANGIBLE ASSETS | | | | | | | | | |
| Computers and accessories | 4.39 | 0.86 | - | 5.25 | 3.12 | 1.12 | - | 4.24 | 1.00 |
| Office equipments | 1.58 | - | - | 1.58 | 0.79 | 0.30 | - | 1.09 | 0.49 |
| Motor Vehicles | 17.33 | - | 17.33 | - | 10.50 | 1.88 | 12.38 | - | - |
| Furniture and fixtures | 0.53 | 1.88 | - | 2.41 | 0.10 | 0.28 | - | 0.38 | 2.03 |
| Total | 23.83 | 2.74 | 17.33 | 9.24 | 14.51 | 3.58 | 12.38 | 5.72 | 3.52 |
| INTANGIBLE ASSETS | | | | | | | | | |
| Website & Software; Brands | 14.90 | - | - | 14.90 | - | 1.90 | - | 1.90 | 13.00 |
| Total | 14.90 | - | - | 14.90 | - | 1.90 | - | 1.90 | 13.00 |
| Capital work in progress | - | - | - | - | - | - | - | - | - |
| Total | - | - | - | - | - | - | - | - | - |

3. Property, plant and equipment and capital work in progress

₹ in Lakhs

| Particulars | Gross block | | | Accumulated depreciation | | | | Net block | |
|----------------------------|----------------------------|--------------|---|-----------------------------|----------------------------|---------------------|---|-----------------------------|-----------------------------|
| | Balance as at 1 April 2022 | Additions | Deductions / Adjustments (Refer note below) | Balance as at 31 March 2023 | Balance as at 1 April 2022 | Charge for the year | Deductions / Adjustments (Refer note below) | Balance as at 31 March 2023 | Balance as at 31 March 2023 |
| TANGIBLE ASSETS | | | | | | | | | |
| Computers and accessories | 3.66 | 0.73 | - | 4.39 | 2.34 | 0.78 | - | 3.12 | 1.27 |
| Office equipments | 1.58 | - | - | 1.58 | 0.49 | 0.30 | - | 0.79 | 0.79 |
| Motor Vehicles | 17.33 | - | - | 17.33 | 7.75 | 2.75 | - | 10.50 | 6.84 |
| Furniture and fixtures | 0.53 | - | - | 0.53 | 0.05 | 0.05 | - | 0.10 | 0.43 |
| Total | 23.10 | 0.73 | - | 23.83 | 10.63 | 3.88 | - | 14.51 | 9.33 |
| INTANGIBLE ASSETS | | | | | | | | | |
| Website & Software; Brands | - | 14.90 | - | 14.90 | - | - | - | - | 14.90 |
| Total | - | 14.90 | - | 14.90 | - | - | - | - | 14.90 |
| Capital work in progress | 2.80 | 12.10 | 14.90 | - | - | - | - | - | - |
| Total | 2.80 | 12.10 | 14.90 | - | - | - | - | - | - |

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2024 (Contd.)
4 Other non current financial assets
(Unsecured, considered good unless otherwise stated)

| Particulars | ₹ in Lakhs | |
|------------------------------------|---------------------|---------------------|
| | As at 31-03-2024 | As at 31-03-2023 |
| Deposit with statutory authorities | 23.03 | 28.46 |
| Total | 23.03 | 28.46 |

5 Non-current tax assets

| Particulars | ₹ in Lakhs | |
|----------------------|---------------------|---------------------|
| | As at 31-03-2024 | As at 31-03-2023 |
| IT Refund receivable | 64.48 | 69.18 |
| | 64.48 | 69.18 |

6 Trade receivables
Unsecured

| Particulars | ₹ in Lakhs | |
|---------------------------------------|---------------------|---------------------|
| | As at 31-03-2024 | As at 31-03-2023 |
| Trade receivables considered good | 92.31 | 112.35 |
| Trade receivables considered doubtful | 236.86 | 208.41 |
| | 329.17 | 320.76 |
| Allowance for expected credit loss | (236.86) | (208.41) |
| Total | 92.31 | 112.35 |

7 Cash and cash equivalents

| Particulars | ₹ in Lakhs | |
|---|---------------------|---------------------|
| | As at 31-03-2024 | As at 31-03-2023 |
| Balance with banks : | | |
| - Balances with banks in current account | 135.25 | 120.63 |
| - In fixed deposit account with original maturity of less than 3 months | - | 109.88 |
| Cash in hand | 0.24 | 4.14 |
| Total | 135.49 | 234.65 |

8 Loans
(Unsecured, considered good unless otherwise stated)

| Particulars | ₹ in Lakhs | |
|--------------------------------------|---------------------|---------------------|
| | As at 31-03-2024 | As at 31-03-2023 |
| Security deposits: | | |
| - Other than related parties | | |
| - Deposit to mall management | - | 3.21 |
| - Deposit for rental premises | 1.40 | 0.90 |
| - Inter Corporate Deposit * | 749.50 | - |
| - To related parties (Refer note 30) | - | 888.55 |
| Total | 750.90 | 892.66 |

* The company has executed transaction regarding the Inter-corporate deposits (ICD) given to Milgrey Finance & Investment Limited amounting to ₹ 619.50 Lakhs and Pro Fin Capital Services Limited amounting to ₹ 130.00 Lakhs. While we acknowledge the concerns raised by the auditor regarding whether proper procedure been followed for KYC norms and correspondence made.

The Management of the company has executed these transactions in the normal course of business and have necessary confirmations as on 31st March, 2024 and approvals. Also, these ICD's are recoverable on demand and or with in the time period agreed.



NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2024 (Contd.)

9 Other current financial assets

(Unsecured, considered good unless otherwise stated)

| Particulars | ₹ in Lakhs | |
|------------------------------------|---------------------|---------------------|
| | As at 31-03-2024 | As at 31-03-2023 |
| Other than related parties: | | |
| Duty drawback receivable | | - |
| Interest accrued on fixed deposits | - | 4.38 |
| Total | - | 4.38 |

10 Other current assets

(Unsecured, considered good unless otherwise stated)

| Particulars | ₹ in Lakhs | |
|--|---------------------|---------------------|
| | As at 31-03-2024 | As at 31-03-2023 |
| Other than related parties: | | |
| Prepaid expenses | 0.13 | 0.93 |
| Interest receivable on ICD | 7.85 | 3.08 |
| Statutory receivables | 248.42 | 252.99 |
| Advance to vendors | 568.92 | 675.68 |
| Less: Advance to vendors considered doubtful | (281.03) | (281.03) |
| Total | 544.28 | 651.64 |

11 Equity share capital

| Particulars | ₹ in Lakhs | |
|---|------------------------|------------------------|
| | As at 31 March 2024 | As at 31 March 2023 |
| Authorised: | | |
| 40,000,000 (31 March 2023: 40,000,000) equity shares of Rs. 10 each | 4,000.00 | 4,000.00 |
| Total | 4,000.00 | 4,000.00 |
| Issued, subscribed and paid up: | | |
| 22,082,609 (31 March 2023: 22,082,609) equity shares of Rs. 10 each fully paid up | 2,208.26 | 2,208.26 |
| Total | 2,208.26 | 2,208.26 |

Notes:

1. Reconciliation of number of equity shares outstanding at the beginning and end of the year:

| Particulars | 31 March 2024 | | 31 March 2023 | |
|--|-----------------------|-----------------|-----------------------|-----------------------|
| | No. of shares held | Amount | No. of shares held | No. of shares held |
| Shares outstanding at the beginning of the year | 2,20,82,609 | 2,208.26 | 2,20,82,609 | 2,208.26 |
| Addition during the year | - | - | - | - |
| Shares outstanding at the end of the year | 2,20,82,609 | 2,208.26 | 2,20,82,609 | 2,208.26 |

2. Terms / rights attached to equity shares issued

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2024 (Contd.)
11 Equity share capital (Contd.)
3. Shareholder's holding more than 5% of the equity share capital of the Company:

| Particulars | As at 31-03-2024 | | As at 31-03-2023 | |
|--|------------------|---------------|------------------|---------------|
| | No. of Shares | % holding | No. of Shares | % holding |
| Harshwardhan Hanmant Sabale | 35,31,123 | 15.99% | 9,53,060 | 4.32% |
| Sudha Mandhana | 6,99,666 | 3.17% | 11,23,089 | 5.09% |
| Sangeeta Mandhana | 6,50,763 | 2.94% | 10,52,873 | 4.77% |
| Mahan Synthetic Textile Pvt Ltd | 9,98,522 | 4.52% | 9,98,522 | 4.52% |
| Authum Investment and Infrastructure Ltd | 6,56,760 | 2.95% | 11,96,816 | 5.42% |
| Priyavrat Mandhana | 3,000 | 0.01% | - | 0.00% |
| Total | 65,39,834 | 29.58% | 53,24,360 | 24.12% |

4. Aggregate number of shares issued for consideration other than cash

No shares have been allotted without payment being received in cash or by way of bonus shares during the period of five years immediately preceding the balance sheet date.

5. Changes in the Shares holding of Promoters & Promoter Group as on 31st March, 2024

| Sr No | Promoter Name | No of Shares March, 2024 | No of Shares March, 2023 | Movement of Shares | % of Change in Shareholding |
|--------------|-------------------------------|--------------------------|--------------------------|--------------------|-----------------------------|
| 1 | Biharilal Chhaganlal Mandhana | - | 46,000.00 | -46,000.00 | -100.00% |
| 2 | Biharilal Mandhana HUF | - | 6,66,666.00 | -6,66,666.00 | -100.00% |
| 3 | Manish Biharilal Mandhana HUF | - | 2,89,999.00 | -2,89,999.00 | -100.00% |
| 4 | Muskaan M. Mandhana | - | 2,73,333.00 | -2,73,333.00 | -100.00% |
| 5 | Arnav Manish Mandhana | - | 31,427.00 | -31,427.00 | -100.00% |
| 6 | Sangeeta M. Mandhana | 6,50,763.00 | 10,52,873.00 | -4,02,110.00 | -38.19% |
| 7 | Sudha B. Mandhana | 6,99,666.00 | 11,23,089.00 | -4,23,423.00 | -37.70% |
| 8 | Priyavrat P. Mandhana | 3,000.00 | 9,53,060.00 | -9,50,060.00 | -99.69% |
| 9 | Prema P. Mandhana | - | 11,96,816.00 | -11,96,816.00 | -100.00% |
| Total | | 42,79,834.00 | 56,33,263.00 | (42,79,834) | |

During the Financial year 2023-24, the Promoter and promoter group of the Company have sold 42,79,834 number of equity shares in open market. As on 31st March, 2024, the promoter and promoter group held 30,44,807 (13.79%) of shares of the total paid up share capital.

Other equity
12 Capital reserve

| Particulars | ₹ in Lakhs | |
|---|------------------|------------------|
| | As at 31-03-2024 | As at 31-03-2023 |
| At the commencement of the year | 5.00 | 5.00 |
| Add / (Less): Additions / (Deductions) during the year | | - |
| At the end of the year | 5.00 | 5.00 |
| Retained earnings | | |
| At the commencement of the year | (397.57) | 564.43 |
| Add: Loss for the year | (431.79) | (965.53) |
| Add: Gain on remeasurement of post-employment benefit obligations | 10.20 | 3.52 |
| At the end of the year | (819.16) | (397.57) |
| Total | (814.16) | (392.57) |

Nature of reserves:
Capital reserves

The capital reserve has been created on demerger of The Mandhana Retail Ventures Limited from Mandhana Industries Limited from the appointed date i.e. 1 April 2014. It is not available for distribution to shareholders' as dividend.



NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2024 (Contd.)

13 Long Term provisions

| Particulars | ₹ in Lakhs | |
|----------------------------------|---------------------|---------------------|
| | As at 31-03-2024 | As at 31-03-2023 |
| Provision for employee benefits: | | |
| - Gratuity (Refer note 29) | 1.61 | 31.53 |
| Total | 1.61 | 31.53 |

14 Trade payables

| Particulars | ₹ in Lakhs | |
|--|---------------------|---------------------|
| | As at 31-03-2024 | As at 31-03-2023 |
| - Related parties | | |
| Total outstanding dues of micro enterprises and small enterprises (Refer note 32) | 3.78 | 19.99 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 9.69 | 20.72 |
| Total | 13.47 | 40.71 |

15 Other financial liabilities

| Particulars | ₹ in Lakhs | |
|---|---------------------|---------------------|
| | As at 31-03-2024 | As at 31-03-2023 |
| Payable from new licensee (Refer Note 40) | 210.82 | 210.74 |
| Employee benefits payable | 4.49 | 26.37 |
| Total | 215.31 | 237.11 |

16 Other current liabilities

| Particulars | ₹ in Lakhs | |
|-------------------------|---------------------|---------------------|
| | As at 31-03-2024 | As at 31-03-2023 |
| Statutory dues payables | 2.37 | 16.98 |
| Advances from customers | | - |
| Total | 2.37 | 16.98 |

17 Short Term provisions

| Particulars | ₹ in Lakhs | |
|----------------------------------|---------------------|---------------------|
| | As at 31-03-2024 | As at 31-03-2023 |
| Provision for employee benefits: | | |
| - Gratuity (Refer note 29) | 0.18 | 7.60 |
| Total | 0.18 | 7.60 |

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2024 (Contd.)
18 Revenue from operations *

| Particulars | ₹ in Lakhs | |
|--------------------------------------|----------------------------------|----------------------------------|
| | For the year ended 31-03-2024 | For the year ended 31-03-2023 |
| Sale of products | | |
| Traded goods | | |
| - Domestic sales- Fabrics & Garments | 62.80 | 73.21 |
| - Export sales | - | - |
| Total | 62.80 | 73.21 |

* this is also construed as additional disclosure to schedule III

19 Other Income

| Particulars | ₹ in Lakhs | |
|--|----------------------------------|----------------------------------|
| | For the year ended 31-03-2024 | For the year ended 31-03-2023 |
| Interest income on fixed deposits with banks (at amortised cost) | 8.10 | 50.30 |
| Interest Income on Inter-Corporate Deposit | 7.77 | 26.67 |
| Interest Income on Income Tax Refund | 0.28 | - |
| Miscellaneous income | - | 0.89 |
| Total | 16.16 | 77.86 |

20 Purchase of stock in trade

| Particulars | ₹ in Lakhs | |
|--|----------------------------------|----------------------------------|
| | For the year ended 31-03-2024 | For the year ended 31-03-2023 |
| Domestic Purchase- Fabrics & Garments | 8.15 | 199.81 |
| Total | 8.15 | 199.81 |

21 Changes in inventories of stock in trade

| Particulars | ₹ in Lakhs | |
|--------------------------------|----------------------------------|----------------------------------|
| | For the year ended 31-03-2024 | For the year ended 31-03-2023 |
| Opening stock: | | |
| Garments | 132.06 | - |
| Closing stock: | | |
| Garments | - | 132.06 |
| Changes in inventories: | | |
| Garments | 132.06 | -132.06 |
| | - | - |
| Total | 132.06 | (132.06) |



NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2024 (Contd.)

22 Employee benefits expense

| Particulars | ₹ in Lakhs | |
|---|----------------------------------|----------------------------------|
| | For the year ended 31-03-2024 | For the year ended 31-03-2023 |
| Salaries, wages and bonus | 168.30 | 326.69 |
| Contribution to provident and other funds | 6.16 | 17.21 |
| Gratuity expense (Refer note 29) | 6.29 | 9.24 |
| Staff welfare expenses | 1.21 | 3.08 |
| Total | 181.96 | 356.21 |

23 Finance costs

| Particulars | ₹ in Lakhs | |
|--|----------------------------------|----------------------------------|
| | For the year ended 31-03-2024 | For the year ended 31-03-2023 |
| - Interest expense on financial liabilities carried at amortised costs: | | |
| - bank borrowings | - | 49.16 |
| - Others | | |
| - under MSMED Act, 2006 | - | 0.07 |
| Total | - | 49.23 |

24 Other expenses

| Particulars | ₹ in Lakhs | |
|--|----------------------------------|----------------------------------|
| | For the year ended 31-03-2024 | For the year ended 31-03-2023 |
| Advertisement and sales promotion expenses | 6.31 | 21.59 |
| Auditors remuneration (Refer note 33) | 6.50 | 6.50 |
| Bank charges | 0.24 | 0.31 |
| Communication expenses | 2.18 | 4.26 |
| Consumables | 7.16 | 10.32 |
| Directors sitting fees | 5.80 | 5.75 |
| Electricity charges | 4.19 | 2.20 |
| Freight and transportation charges | 0.10 | 0.91 |
| Insurance charges | 1.82 | 1.02 |
| Legal charges | 8.74 | 12.52 |
| Loss from foreign exchange fluctuation | - | 0.92 |
| Miscellaneous expenses | 0.41 | 0.76 |
| Printing and stationery | 0.65 | 2.08 |
| Professional fees | 39.16 | 145.06 |
| Rates and taxes | 0.36 | 3.68 |
| Rent, CAM and utility charges | 25.50 | 28.74 |
| Loss on sale of PPE | 0.37 | - |
| Provision for doubtful debts | 28.45 | - |
| Repairs and maintenance | 12.28 | 7.11 |
| Sundry balance W/off | 8.76 | 73.19 |
| Provision for doubtful Advances | - | 281.03 |
| Travelling and conveyance | 24.10 | 41.03 |
| Total | 183.09 | 648.98 |

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2024 (Contd.)

₹ in Lakhs

25 Tax expense
(a) Amounts recognised in statement of profit and loss

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|----------------------------------|-------------------------------------|-------------------------------------|
| Tax adjustment for earlier years | - | (9.45) |
| Total | - | (9.45) |

(b) Amounts recognised in other comprehensive income

| Particulars | 31 March 2024 | | | 31 March 2023 | | |
|--|---------------|-------------------------------|------------|---------------|-------------------------------|-------------------------------|
| | Before tax | Tax (expense) / benefit | Net of tax | Before tax | Tax (expense) / benefit | Tax (expense) / benefit |
| Items that will not be reclassified to profit or loss | | | | | | |
| Remeasurement gains arising on defined benefit plan | 10.20 | - | 10.20 | 3.52 | | 3.52 |
| Total | 10.20 | - | 10.20 | 3.52 | - | 3.52 |

(c) Reconciliation of effective tax rate

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| (Loss) / Profit before tax | (431.79) | (974.99) |
| Tax using the Company's domestic tax rate (Current year 26.00 % and Previous Year 26.00 %) | - | - |
| Tax effect of: | | |
| Write off of deferred tax assets | - | - |
| Current-year losses for which no deferred tax asset is recognised | - | - |
| Non-deductible tax expenses | - | - |
| Tax adjustment for earlier years | - | - |
| Others | - | - |
| Total | (431.79) | (974.99) |
| | | (974.99) |



NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2024 (Contd.)

26 Tax expense (Continued)

(d) Movement in deferred tax balances

₹ in Lakhs

| 31 March 2024 | Net balance 1 April 2023 | Recognised in statement of profit or loss* | Recognised in OCI | Net balance 31 March 2024 | Deferred tax asset | Deferred tax liability |
|-----------------------------------|-----------------------------|---|----------------------|---------------------------------|-----------------------|---------------------------|
| Deferred tax asset | | | | | | |
| Unabsorbed tax losses | - | - | - | - | - | - |
| Unabsorbed depreciation | - | - | - | - | - | - |
| Property, plant and equipment | - | - | - | - | - | - |
| Provision for gratuity | - | - | - | - | - | - |
| Allowance for doubtful debts | - | - | - | - | - | - |
| Other items | - | - | - | - | - | - |
| MAT credit entitlement | - | - | - | - | - | - |
| Tax assets / (liabilities) | - | - | - | - | - | - |
| Set off tax | - | - | - | - | - | - |
| Deferred tax assets (net) | - | - | - | - | - | - |

| 31 March 2023 | Net balance 1 April 2022 | Recognised in statement of profit or loss | Recognised in OCI | Net balance 31 March 2023 | Deferred tax asset | Deferred tax liability |
|-----------------------------------|-----------------------------|--|----------------------|---------------------------------|-----------------------|---------------------------|
| Deferred tax asset | | | | | | |
| Unabsorbed tax losses | - | - | - | - | - | - |
| Unabsorbed depreciation | - | - | - | - | - | - |
| Property, plant and equipment | - | - | - | - | - | - |
| Inventories | - | - | - | - | - | - |
| Deferred income | - | - | - | - | - | - |
| Provision for gratuity | - | - | - | - | - | - |
| Allowance for doubtful debts | - | - | - | - | - | - |
| Other items | - | - | - | - | - | - |
| MAT credit entitlement | - | - | - | - | - | - |
| Tax assets / (liabilities) | - | - | - | - | - | - |
| Set off tax | - | - | - | - | - | - |
| Deferred tax assets (net) | - | - | - | - | - | - |

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred tax assets and liabilities and recoverability of deferred tax assets. The recoverability of deferred tax assets is based on estimates of future taxable income and the period over which deferred tax assets will be recovered.

* Deferred tax assets have been derecognised and charged off in the statement of profit and loss of the current year as the Company will not be able to utilise the unused tax losses and unused tax credits as it is not probable that the Company would generate sufficient future taxable profits from its operations.

Tax losses carried forward

| Particulars | For the year ended 31 March 2024 | Expiry date | For the year ended 31 March 2023 | Expiry date |
|-------------------------|--|-------------|--|-------------|
| Business loss | 827.43 | AY 2030-31 | - | - |
| Business loss | 395.74 | AY 2029-30 | 555.47 | AY 2029-30 |
| Business loss | 242.54 | AY 2028-29 | 242.54 | AY 2028-29 |
| Business loss | 339.68 | AY 2027-28 | 339.68 | AY 2027-28 |
| Business loss | 1,295.58 | AY 2026-27 | 1,295.58 | AY 2026-27 |
| Unabsorbed depreciation | 1,057.81 | NA | 913.82 | NA |

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2024 (Contd.)
27 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders (after adjusting for interest on the convertible preference shares, if any) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

i. Loss attributable to equity holders of the Company

| Particulars | 31 March 2024 | 31 March 2023 |
|---|----------------------|----------------------|
| Loss attributable to equity holders of the Company (for basic EPS) | (431.79) | (965.52) |
| Effect of dilution | - | - |
| Loss attributable to equity holders of the Company adjusted for the effect of dilution | (431.79) | (965.52) |

ii. Weighted average number of ordinary shares

| | | |
|---|--------------------|--------------------|
| Issued ordinary shares as at the beginning of the year | 2,20,82,609 | 2,20,82,609 |
| Effect of shares issued to related business combinations | - | - |
| Effect of shares cancelled during the year | - | - |
| Weighted average number of shares as at year end for basic EPS | 2,20,82,609 | 2,20,82,609 |
| Effect of dilution | - | - |
| Weighted average number of shares as at year end for diluted EPS | 2,20,82,609 | 2,20,82,609 |

Basic and diluted earnings per share:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|----------------------------------|--------------------------------|--------------------------------|
| Basic earnings per share (Rs.) | (1.96) | (4.37) |
| Diluted earnings per share (Rs.) | (1.96) | (4.37) |
| Face value per share (Rs.) | 10.00 | 10.00 |

28 Financial instruments - Fair values and risk management
A. Accounting classification and fair values

The following table shows the carrying amount and fair values of financial assets and liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of its fair value.

₹ in Lakhs

| 31 March 2024 | Carrying amount | | | | Fair value | | | |
|---------------------------------------|------------------------|----------|-------------------|-----------------|-------------------|----------|----------|----------|
| | FVTPL | FVTOCI | Amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial assets: | | | | | | | | |
| Loans - Non-current | - | - | - | - | - | - | - | - |
| Other financial asset - Non-current | - | - | 23.03 | 23.03 | - | - | - | - |
| Trade receivables | - | - | 92.31 | 92.31 | - | - | - | - |
| Cash and cash equivalents | - | - | 135.49 | 135.49 | - | - | - | - |
| Loans - Current | - | - | 750.90 | 750.90 | - | - | - | - |
| Other financial asset - Current | - | - | - | - | - | - | - | - |
| Total | - | - | 1,001.73 | 1,001.73 | - | - | - | - |
| Financial liabilities: | | | | | | | | |
| Trade payables | - | - | 13.47 | 13.47 | - | - | - | - |
| Other financial liabilities - Current | - | - | 215.31 | 215.31 | - | - | - | - |
| Total | - | - | 228.77 | 228.77 | - | - | - | - |



NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2024 (Contd.)

28 Financial instruments - Fair values and risk management (Continued)

A. Accounting classification and fair values (Continued)

| 31 March 2023 | Carrying amount | | | | Fair value | | | |
|---------------------------------------|-----------------|--------|-----------------|-----------------|------------|---------|---------|-------|
| | FVTPL | FVTOCI | Amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial assets: | | | | | | | | |
| Loans - Non-current | - | - | - | - | - | - | - | - |
| Other financial asset - Non-current | - | - | 28.46 | 28.46 | - | - | - | - |
| Trade receivables | - | - | 112.35 | 112.35 | - | - | - | - |
| Cash and cash equivalents | - | - | 234.65 | 234.65 | - | - | - | - |
| Loans - Current | - | - | 892.66 | 892.66 | - | - | - | - |
| Other financial asset - Current | - | - | 4.38 | 4.38 | - | - | - | - |
| Total | - | - | 1,272.49 | 1,272.49 | - | - | - | - |
| Financial liabilities: | | | | | | | | |
| Trade payables | - | - | 40.71 | 40.71 | - | - | - | - |
| Other financial liabilities - Current | - | - | 237.11 | 237.11 | - | - | - | - |
| Total | - | - | 277.82 | 277.82 | - | - | - | - |

- (1) Assets that are not financial assets excluding income tax assets (net) (such as receivables from statutory authorities, export benefit receivables, prepaid expenses, advances paid and certain other receivables) amounting to ₹ 625.30 Lakhs and ₹ 877.13 Lakhs as of 31 March 2024 and 31 March 2023 respectively, are not included.
- (2) Liabilities that are not financial liabilities excluding income tax liabilities (net) (such as statutory dues payable, deferred revenue, advances from customers and certain other accruals) amounting to ₹ 4.16 Lakhs and ₹ 56.12 Lakhs as of 31 March 2024 and 31 March 2023 respectively, are not included.

B. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Interest rate risk

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2024 (Contd.)
28 Financial instruments - Fair values and risk management (Continued)
B. Financial risk management (Continued)
i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The Risk Management Committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, and in some cases bank references. Sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits require approval from the Risk Management Committee.

Goods are sold subject to retention of title clauses, so that in the event of non-payment the Company may have a secured claim. The Company does not otherwise require collateral in respect of trade and other receivables

Impairment

As at 31 March 2024, the ageing of trade receivables that were not impaired was as follows:

| Sr No | Particulars | Outstanding for the following period from due date of Payments | | | | | Total |
|--------------|--|--|--------------------|--------------|-----------|-------------------|--------------|
| | | Less than 6 Months | 6 Months - 1 Years | 1-2 Years | 2-3 Years | More than 3 Years | |
| | | ₹ in Lakhs | | | | | |
| i | Undisputed Trade receivables – considered good | 9.25 | - | 83.06 | - | - | 92.31 |
| ii | Undisputed Trade Receivables – considered doubtful | - | - | - | - | - | - |
| iii | Disputed Trade Receivables considered good | - | - | - | - | - | - |
| iv | Disputed Trade Receivables considered doubtful | - | - | - | - | 236.86 | 236.86 |
| | | 9.25 | - | 83.06 | - | 236.86 | 329.17 |
| | Less : Provisions | - | - | - | - | (236.86) | (236.86) |
| TOTAL | | 9.25 | - | 83.06 | - | - | 92.31 |

Impairment

As at 31 March 2023, the ageing of trade receivables that were not impaired was as follows:

| Sr No | Particulars | Outstanding for the following period from due date of Payments | | | | | Total |
|--------------|--|--|-------------------|--------------|-----------|-------------------|---------------|
| | | Less than 6 Months | 6 Months -1 Years | 1-2 Years | 2-3 Years | More than 3 Years | |
| | | ₹ in Lakhs | | | | | |
| i | Undisputed Trade receivables – considered good | - | 30.08 | 52.35 | - | 29.92 | 112.35 |
| ii | Undisputed Trade Receivables – considered doubtful | - | - | - | - | - | - |
| iii | Disputed Trade Receivables considered good | - | - | - | - | - | - |
| iv | Disputed Trade Receivables considered doubtful | - | - | - | - | 208.41 | 208.41 |
| | | - | 30.08 | 52.35 | - | 238.33 | 320.76 |
| | Less : Provisions | - | - | - | - | (208.41) | -208.41 |
| TOTAL | | - | 30.08 | 52.35 | - | 29.92 | 112.35 |



NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2024 (Contd.)

28 Financial instruments - Fair values and risk management (Continued)

B. Financial risk management (Continued)

Management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings, if they are available.

As at 31 March 2024, the carrying amount of the Company's most significant single customer was Rs. 82.43 Lakhs (31 March 2023: Rs 82.43 lakhs).

Cash and cash equivalents

The Company held cash and cash equivalents of Rs. 135.49 Lakhs as at 31 March 2024 (31 March 2023: Rs.234.65 Lakhs). The cash and cash equivalents are held with banks and financial institution which have good credit ratings.

Security deposits given to lessors

The Company has given security deposit to lessors of Rs. 0.00 Lakhs as at 31 March 2024 (31 March 2023: Rs. 888.54 Lakhs) for premises leased to the Company. The credit worthiness of such lessors is considered to be good.

Note: The Company has realised security deposit from lessors Rs. 888.55 Lakhs, except Rs. 68.54 Lakhs which is due from Mr. Priyavrat Mandhana, a Non -Executive Director. Mr. Priyavrat Mandhana has submitted a cheque of Rs 68.54 Lakhs, bearing cheque number 000491 dated 30th March, 2024, in favour of the Heads UP Ventures Limited. However, the aforementioned cheque has not been deposited/encashed by the company, following a specific request from Mr. Priyavrat Mandhana to do so by 15th May, 2024.

ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted:

| | | ₹ in Lakhs | | | | |
|---|-----------------|------------------------|-------------|-----------|-----------|-------------------|
| 31 March 2024 | Carrying amount | Contractual cash flows | | | | |
| | | Total | 0-12 months | 1-2 years | 2-5 years | More than 5 years |
| Non-derivative financial liabilities | | | | | | |
| Borrowings | - | - | - | - | - | - |
| Trade payables | 13.47 | 13.47 | 13.47 | - | - | - |
| Other financial liabilities | 215.31 | 215.31 | 215.32 | - | - | - |
| | | ₹ in Lakhs | | | | |
| 31 March 2023 | Carrying amount | Contractual cash flows | | | | |
| | | Total | 0-12 months | 1-2 years | 2-5 years | More than 5 years |
| Non-derivative financial liabilities | | | | | | |
| Borrowings | - | - | - | - | - | - |
| Trade payables | 40.71 | 40.71 | 40.71 | - | - | - |
| Other financial liabilities | 237.11 | 237.11 | 237.11 | - | - | - |

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2024 (Contd.)
28 Financial instruments - Fair values and risk management (Continued)
B. Financial risk management (Continued)
iii. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk. Thus, our exposure to market risk is a function of borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in foreign currency revenues and costs.

Currency risk

The Company is exposed to currency risk on account of its trade receivables and trade payables in foreign currency. The functional currency of the Company is Rs. The Company does not use any forward exchange contracts to hedge its currency risk.

Exposure to currency risk

The currency profile of financial assets and financial liabilities in Rupee terms as at 31 March 2024 and 31st Mar 2023 are as below:

| | ₹ in Lakhs | |
|------------------------------|------------|------------|
| | USD | EURO |
| 31 March 2024 | | |
| Financial assets | | |
| Trade and other receivables | - | - |
| Financial liabilities | | |
| Trade and other payables | - | - |
| Net Exposure | - | - |
| | | |
| | | ₹ in Lakhs |
| 31 March 2023 | USD | EURO |
| Financial assets | | |
| Trade and other receivables | - | - |
| Financial liabilities | | |
| Trade and other payables | - | - |
| Net Exposure | - | - |

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Rs. against USD/Euro at year end would have affected the measurement of financial instruments denominated in these currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

| Particulars | Profit or loss | |
|-------------------------------------|----------------|----------------|
| | Strengthening | Weakening |
| 31 March 2024 (Rs. in Lakhs) | | |
| 1% movement | | |
| USD | - | - |
| EURO | - | - |
| | - | - |
| | | |
| Particulars | | Profit or loss |
| | Strengthening | Weakening |
| 31 March 2023 (Rs. in Lakhs) | | |
| 1% movement | | |
| USD | - | - |
| EURO | - | - |
| | - | - |



NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2024 (Contd.)

28 Financial instruments - Fair values and risk management (Continued)

B. Financial risk management (Continued)

iv. Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

Company's interest rate risk arises mainly from borrowings made. Borrowing made at fixed rates exposes the Company to fair value interest rate risk whereas borrowing at variable rate exposes the Company to cash flow interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

| Particulars | ₹ in Lakhs | |
|----------------------------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Fixed rate instruments | | |
| Non Current Financial assets | 23.03 | 28.46 |
| Financial liabilities | - | - |
| | 23.03 | 28.46 |
| Variable rate instruments | | |
| Financial assets | - | - |
| Financial liabilities | - | - |
| | - | - |
| Total | 23.03 | 28.46 |

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

| Particulars | Profit or loss | |
|-------------------------------------|-----------------|-----------------|
| | 100 bp increase | 100 bp decrease |
| 31 March 2024 (Rs. in Lakhs) | | |
| Variable rate instruments | - | - |
| Cash flow sensitivity (net) | - | - |

| Particulars | Profit or loss | |
|-------------------------------------|-----------------|-----------------|
| | 100 bp increase | 100 bp decrease |
| 31 March 2023 (Rs. in Lakhs) | | |
| Variable rate instruments | - | - |
| Cash flow sensitivity (net) | - | - |

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2024 (Contd.)
28 Financial instruments - Fair values and risk management (Continued)
Capital management

Equity share capital and other equity are considered for the purpose of Company's capital management. The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Company monitors capital using a ratio of 'adjusted net debt' to 'total equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents.

The Company's policy is to keep the ratio below 1.00. The Company's adjusted net debt to equity ratio at 31 March 2024 and 31 March 2023 was as follows:

| Particulars | (₹ in Lakhs) | |
|--|----------------|----------------|
| | 31 March 2024 | 31 March 2023 |
| Borrowings | - | - |
| Less : Cash and cash equivalents | 135.49 | 234.65 |
| Adjusted net debt | -135.49 | -234.65 |
| Total equity | 1,394.10 | 1,815.69 |
| Adjusted net debt to total equity ratio | -0.10 | -0.13 |

29 Employee benefits
(i) Defined contribution plan:

The Company makes contributions, determined as a specific percentage of employee salaries, in respect of qualifying employees towards provident fund and employees state insurance, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to provident fund and employees state insurance for the year aggregated to ₹ 11.97 Lakhs (31 March 2023: ₹ 17.86 Lakhs)

The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

(ii) Defined benefit plan:
A) The Company has a defined benefit gratuity plan. The plan provides for payment as under:
i) On normal retirement / early retirement / withdrawal / resignation:

As per the provisions of the Payment of Gratuity Act, 1972 with vesting period of 5 years of service.

ii) On death in service:

As per the provisions of the Payment of Gratuity Act, 1972 without any vesting period.

Actuarial valuation of the defined benefit obligation for gratuity are carried out on a yearly basis, the most recent valuation being carried out as on 31 March 2024. The present value of the defined benefit obligations and the related current service cost and past service cost, are measured using the projected unit credit method (PUCM).

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at the balance sheet date:

| Particulars | (₹ in Lakhs) | |
|--|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Present value of obligations as at year end | 1.79 | 39.11 |
| Fair value of plan assets as at year end | - | - |
| Net liability recognised as at year end | 1.79 | 39.11 |
| Of the above: | | |
| Current | 0.18 | 7.60 |
| Non current | 1.61 | 31.51 |



NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2024 (Contd.)

29 Employee benefits (Continued)

B. Movement in net defined benefit (asset) / liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit liability and its components:

| Defined benefit obligation | | (₹ in Lakhs) | |
|---|----------------------|----------------------|--|
| Particulars | 31 March 2024 | 31 March 2023 | |
| Opening balance | 39.12 | 39.77 | |
| Included in profit or loss | | | |
| Current service cost | 3.68 | 7.04 | |
| Interest cost (income) | 2.60 | 2.19 | |
| | 45.40 | 49.00 | |
| Remeasurement loss (gain): | | | |
| Actuarial loss (gain) arising from Demographic assumptions | | | |
| Financial assumptions | (0.00) | (1.72) | |
| Experience adjustment | (10.21) | (1.80) | |
| | (10.21) | (3.52) | |
| Benefits paid | (33.40) | (6.36) | |
| Closing balance | 1.79 | 39.12 | |

C. Defined benefit obligations

i. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages):

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|-------------------------------|---|---|
| Discount rate | 7.20% | 7.30% |
| Salary escalation rate | 5.10% | 5.10% |
| Withdrawal rates | 35% p.a at younger ages reducing to 5% p.a at older ages | 35% p.a at younger ages reducing to 5% p.a at older ages |
| Rate of return on plan assets | Not Applicable | Not Applicable |

Assumptions regarding future mortality have been based on published statistics and mortality tables. The current longevities underlying the values of the defined benefit obligation at the reporting date were as follows:

Sample Rates of Indian Assured Lives Mortality:

| Age (In years) | Rate p.a. |
|-----------------------|------------------|
| 20 | 0.09% |
| 30 | 0.10% |
| 40 | 0.17% |
| 50 | 0.44% |
| 60 | 1.12% |

ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

| | (₹ in Lakhs) | | | |
|--------------------------------------|----------------------|-----------------|----------------------|-----------------|
| | 31 March 2024 | | 31 March 2023 | |
| | Increase | Decrease | Increase | Decrease |
| Discount rate (0.5% movement) | 1.74 | 1.85 | 38.44 | 39.81 |
| Future salary growth (0.5% movement) | 1.85 | 1.73 | 39.80 | 38.51 |
| Withdrawal rate (0.5% movement) | 1.75 | 1.83 | 39.42 | 38.75 |

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2024 (Contd.)
29 Employee benefits (Continued)
iii. Expected future cash flows

| | | | | | (₹ in Lakhs) |
|--|---------------------|----------------------|----------------------|-----------------|--------------|
| Particulars | Less than a year | Between 1-2 years | Between 2-5 years | Over 5 years | Total |
| 31 March 2024 | | | | | |
| Defined benefit obligations (Gratuity) | 0.18 | 0.14 | 0.69 | 4.45 | 5.46 |
| Total | 0.18 | 0.14 | 0.69 | 4.45 | 5.46 |

| | | | | | (₹ in Lakhs) |
|--|---------------------|----------------------|----------------------|-----------------|--------------|
| Particulars | Less than a year | Between 1-2 years | Between 2-5 years | Over 5 years | Total |
| 31 March 2023 | | | | | |
| Defined benefit obligations (Gratuity) | 6.97 | 5.89 | 27.82 | 5.43 | 46.11 |
| Total | 6.97 | 5.89 | 27.82 | 5.43 | 46.11 |

D. Characteristics of defined benefit plans and risks associated with them:

Valuations of defined benefit plan are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Company is exposed to various risks in providing the above benefit plans which are as follows:

- a. Interest rate risk: The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (i.e. value of defined benefit obligation).
- b. Salary escalation risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
- c. Demographic risk: The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.

Notes:

1. The discount rate is based on the prevailing market yields on Indian Government securities as at the balance sheet date for the estimated term of the obligations.
2. The estimates of future salary increase considered in actuarial valuation take account of inflation, seniority, promotion, and other relevant factors such as supply and demand in employment market.
3. The Company does not have a carry forward or an encashment policy for compensated absences and hence no liability has been accrued in the financial statements.



NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2024 (Contd.)

30 Related party disclosures

A. List of related parties and relationships

| Name of the related party | Nature of relationship |
|---------------------------|--|
| Shri Priyavrat Mandhana | Non - Executive Director (change in designation from Executive Director to Non- Executive Director w.e.f. 01.06.2023) |
| Smt. Sangeeta M. Mandhana | Managing Director (Resigned w.e.f. 31 st January, 2024) |
| Mr. Hansraj Rathor | Additional Executive Director and Managing Director (Appointed w.e.f. 1 st February, 2024) |
| Mr. Pravin Navander | Non-Executive and Independent Chairman (Appointed on 17 August 2021) |
| Mr. Vipinraj Paiyapilly | Non-Executive and Independent Director (Resigned on 26 th March, 2024) |
| Mr. Abhijit Salian | Non-Executive and Independent Director (Resigned on 23 rd March, 2024) |
| Mr. Roshan More | Non-Executive and Independent Director (Appointed on 21 st August, 2023) |
| Mrs. Neeraj Bala | Additional Non-Executive and Independent Director (Appointed on 27 th March, 2024) |
| Mr. Sudhir Kumar Arya | Additional Non-Executive and Independent Director (Appointed on 27 th March, 2024) |
| Ms Aishwarya Gupta | Company Secretary (Appointed on 31 st May 2022) |
| Mr. Vishal Parikh | Chief Financial Officer (Appointed on 20 August 2021) |

The Company's management is of the view that there are no related parties over which the Company exercises control.

B. Related party relationships, transactions and balances

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

| Particulars | (₹ in Lakhs) | | | |
|---|---|--------|--|--------|
| | Transaction values for the year ended 31 March | | Balances outstanding as at 31 March | |
| | 2024 | 2023 | 2024 | 2023 |
| Compensation paid to key managerial personnel | | | | |
| Salary - Short term employee benefits | 92.80 | 243.78 | 2.60 | 15.71 |
| Post employee gratuity | 22.36 | 2.81 | 0.76 | 29.34 |
| Sitting Fees | 5.80 | 5.75 | 0.81 | - |
| Advance against salary | | | | |
| Given | | 6.25 | | |
| Recovered | | 6.25 | | |
| Deposit for rental premises | | | | |
| Entities over which KMP and/or their relatives are able to exercise significant influence | - | - | - | 888.54 |
| Receipt of Deposit for rental premises | | | | |
| Entities over which KMP and/or their relatives are able to exercise significant influence (refer note 28 (B)) | 888.54 | - | | |
| Lease rent paid | | | | |
| Relative of KMP | - | - | - | - |
| Key managerial personnel | - | - | - | - |
| Reimbursement of expenses | | | | |
| Payment for intangible expenses | | 6.90 | | |
| Key managerial personnel | | 0.54 | - | - |

Terms and conditions of transactions with related parties:

- The sales and purchases to/from related parties are made in the ordinary course of business on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2023: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.
- Details of compensation to key managerial personnel has been provided in table above. The amounts disclosed in the table are the amounts recognised as an expense during the year related to key managerial personnel.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2024 (Contd.)
31 Segmental information

For management purposes, the Company is organised into business units based on how reporting is done to the Chief Operating Decision Maker (CODM) in accordance with Ind AS 108 'Operating Segments'. The Company has only one segment i.e. Garments which comprise almost 98% of the total business activities. Hence, segment reporting is not applicable to the Company.

Geographical location wise segment data

The operations of the Company are in India and all assets and liabilities (except certain receivables and payables) are located in India. An analysis of the segment revenue and segment assets by geographical market is given below :

(₹ in Lakhs)

| Particulars | 31 March 2024 | | | | 31 March 2023 | | | |
|---|-----------------|----------|-------------|-----------------|-----------------|----------|-------------|-----------------|
| | Domestic | Exports | Unallocable | Total | Domestic | Exports | Unallocable | Total |
| External revenues | 62.80 | - | - | 62.80 | 73.21 | - | - | 73.21 |
| Other allocable income | - | - | - | - | - | - | - | - |
| Total revenue | 62.80 | - | - | 62.80 | 73.21 | - | - | 73.21 |
| Less: Elimination | - | - | - | - | - | - | - | - |
| Net revenue | 62.80 | - | - | 62.80 | 73.21 | - | - | 73.21 |
| Segment result ex. Finance cost | (431.79) | - | - | (431.79) | (925.75) | - | - | (925.75) |
| Other non allocable income / (expenses): | | | | | | | | |
| Finance cost | - | - | - | - | 49.23 | - | - | 49.23 |
| Net loss | (431.79) | - | - | (431.79) | (974.98) | - | - | (974.98) |
| Other information: | | | | | | | | |
| Total segment assets | 1,627.02 | - | - | 1,627.02 | 2,149.62 | - | - | 2,149.62 |
| Non current assets other than financial instruments and deferred tax assets (net) | - | - | - | - | - | - | - | - |
| Total assets | 1,627.02 | - | - | 1,627.02 | 2,149.62 | - | - | 2,149.62 |
| Segment liabilities | 232.94 | - | - | 232.94 | 333.92 | - | - | 333.92 |

Notes:

- i) Accounting policies: Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.
- ii) Segment assets and liabilities: Segment assets include all operating assets used by a segment and consist principally of trade receivables, inventories and fixed assets, net of allowances and provisions which are reported as direct offsets in the balance sheet. While most such assets can be directly attributed to individual segments, the carrying amount of certain assets used jointly by two or more segments is allocated to the segments on a reasonable basis. Segment liabilities include all operating liabilities and consist principally of trade payables and accrued liabilities. Segment assets and liabilities do not include those relating to income taxes.



NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2024 (Contd.)

32 Dues to micro, small and medium enterprises

The disclosure in respect of the amount payable to enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 has been made in the financial statement as at 31 March 2024 based on the information received and available with the Company. Auditors have relied upon the information provided by the Company.

| Particulars | (₹ in Lakhs) | |
|---|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Principal amount remaining unpaid to any supplier at the year end | 3.78 | 19.99 |
| Interest due on the above mentioned principal amount remaining unpaid to any supplier at the year end | - | 0.07 |
| Amount of the interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day | - | - |
| Amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the MSMED Act, 2006. | - | - |
| Amount of interest accrued and remaining unpaid at the end of the accounting year | - | 0.07 |
| 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 | - | - |

As at 31 March 2024, the ageing of trade payables that were not impaired was as follows:

| Particulars | (₹ in Lakhs) | | | | |
|----------------------------|---|-----------|-----------|----------------------|--------------|
| | Outstanding for following period from due date of payment | | | | |
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| 1 MSME | 3.78 | - | - | - | 3.78 |
| 2 Others | 9.69 | - | - | - | 9.69 |
| 3 Disputed dues -MSME | | | | | |
| 4 Disputed dues -others | | | | | |
| TOTAL Trade Payable | 13.47 | - | - | - | 13.47 |

As at 31 March 2023, the ageing of trade payables that were not impaired was as follows:

| Particulars | (₹ in Lakhs) | | | | |
|----------------------------|---|-----------|-----------|----------------------|--------------|
| | Outstanding for following period from due date of payment | | | | |
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| 1 MSME | 19.99 | - | - | - | 19.99 |
| 2 Others | 20.72 | - | - | - | 20.72 |
| 3 Disputed dues -MSME | | | | | |
| 4 Disputed dues -others | | | | | |
| TOTAL Trade Payable | 40.71 | - | - | - | 40.71 |

33 Auditors remuneration (excluding taxes)

| Particulars | (₹ in Lakhs) | |
|--|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Statutory audit fees including limited reviews | 6.50 | 6.50 |
| Certification | - | - |
| Out of pocket expense | - | - |
| Total | 6.50 | 6.50 |

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2024 (Contd.)
34 Corporate social responsibility

The Company has spent Rs. NIL Lakhs (31 March 2023: Rs. NIL Lakhs) towards various schemes of corporate social responsibility as prescribed under Section 135 of the Companies Act 2013. The details are as under:

- a) Gross amount required to be spent by the Company during the year is Nil (31 March 2023: Nil)
b) Amount spent during the year is Nil (31 March 2023 : ₹ Nil Lakhs)

| Particulars | (₹ in Lakhs) | |
|---------------------------------------|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| | In Cash | In Cash |
| Construction/acquisition of any asset | - | - |
| On purposes other than above | - | - |
| Total | - | - |

35 Contingent liabilities and commitments

- i) The estimated amount of contracts remaining to be executed on capital account to the extent not provided for is Nil (31 March 2023: ₹ Nil)

| Sl. no | Name of Statute | Nature of Dues | Initial Demand (In ₹) | Amount Deposited (In ₹) | Amount Outstanding (In ₹) | Period to which amount relates | Forum where dispute is pending |
|--------|---|---|-----------------------|-------------------------|---------------------------|--------------------------------|---|
| 1 | Central Goods and Services Tax Act, 2017 and State Goods and Services Tax Act, 2017 | Maharashtra Goods and Service Tax Act Department ITC Mismatch | 8,14,805 | 0 | 8,14,805 | 2016-17 | Deputy / JOint Commissioner of Sales Tax / Tribunal |
| 2 | Central Goods and Services Tax Act, 2017 and State Goods and Services Tax Act, 2017 | Maharashtra Goods and Service Tax Act Department ITC Mismatch | 37,076 | 2,01,946 | -1,64,870 | 2017 =18 | Deputy / JOint Commissioner of Sales Tax / Tribunal |
| 3 | Central Goods and Services Tax Act, 2017 and State Goods and Services Tax Act, 2017 | Maharashtra Goods and Service Tax Act Department ITC Mismatch | 5,000 | 0 | 5,000 | 2016-17 | Deputy / JOint Commissioner of Sales Tax / Tribunal |
| 4 | Income Tax Act, 1961 | Income Tax | | 4,15,800 | -4,15,800 | 2016-17 | Commissioner of Income Tax Appeal |
| 5 | Income Tax Act, 1961 | Income Tax | 1,306 | 0 | 1,306 | 2020 -21 | The Deputy Commissioner of Income Tax TDS |
| 6 | Employee State Insurance Act | Unclaimed Wages , short payment. | 1,00,752 | 1,61,599 | -1,00,752 | 2017-18 | Appellate Authority- Mumbai |
| 7 | Income Tax Act, 1961 | Income Tax | 2,00,58,220 | 0 | 1,38,74,226 | 2017-18 | Commissioner of Income Tax Appeal |
| 8 | Income Tax Act, 1961 | Income Tax | 47,10,405 | 0 | 47,10,405 | 2018-19 | Assessing Officer- Mumbai |
| 9 | Central Goods and Services Tax Act, 2017 and State Goods and Services Tax Act, 2017 | Disallowance of TRANS 1 credit claim | 74,64,191 | 6,78,563 | 67,85,628 | 2017-18 | II Appeal (GST tribunal)* |
| 10 | Central Goods and Services Tax Act, 2017 and State Goods and Services Tax Act, 2017 | Excess availment of ITC | 76,19,149 | 7,61,914 | 68,57,235 | 2018-19 | II Appeal (GST Tribunal) |
| 11 | Central Goods and Services Tax Act, 2017 and State Goods and Services Tax Act, 2017 | Excess availment of ITC | 66,10,951 | 0 | 66,10,951 | 2017-18 | Office of the Commissioner CGST & Cx , Appeal III, Mumbai |
| 12 | Central Goods and Services Tax Act, 2017 and State Goods and Services Tax Act, 2017 | Excess availment of ITC | 1,84,78,560 | 0 | 1,08,59,411 | 2018-19 | Office of the Commissioner CGST & Cx , Appeal III, Mumbai |
| 13 | Employee State Insurance Act | Unclaimed Wages , short payment. | 1,25,879 | 31,500 | 94,379 | 2017-18 | Appellate Authority- Mumbai |



NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2024 (Contd.)

35 Contingent liabilities and commitments (Continued)

iii) Summary of pending litigations filed by / against the Company as of date pursuant to relevant act.

| Sr. No. | Name of parties | Case No./ Type | Claim | Pending before | Name of Advocate | Status |
|--|--|--|---|---|---|--|
| Cases filed by the Company: | | | | | | |
| 1 | TMRVL V/s. M/s. J.D. Clothing & Others | CC/0700400/SS/2019 Complaint u/s. 138 of N.I. Act, 1881 | ₹ 2,50,000/- | Metropolitan Magistrate, 7 th Court, Bhoiwada, Mumbai | Mr. Ruchir Dholakia | Both Accused were present before the Hon'ble Metropolitan Magistrate, 7 th Court, Bhoiwada, Mumbai and got cancelled the warrant and order passed. |
| 2 | TMRVL V/s. M/s. J.D. Clothing & Others | "CC/0701515/SS/2019 Complaint u/s. 138 of N.I. Act, 1881" | ₹ 2,50,000/- | Metropolitan Magistrate, 7 th Court, Bhoiwada, Mumbai | Mr. Ruchir Dholakia | Accordingly, penalty paid by the accused granted bail on furnishing bail-bond and plea recorded. Next date 26.06.2024 to file Affidavit of Evidence in the matter by the Company. |
| 3 | TMRVL V/s. M/s. J.D. Clothing & Others | "CC/0703080/SS/2019 Complaint u/s. 138 of N.I. Act, 1881" | ₹ 7,50,000/- | Metropolitan Magistrate, 7 th Court, Bhoiwada, Mumbai | Mr. Ruchir Dholakia | |
| 4 | TMRVL V/s. M/s. J.D. Clothing & Others | "CC/0703081/SS/2019 Complaint u/s. 138 of N.I. Act, 1881" | ₹ 7,50,000/- | Metropolitan Magistrate, 7 th Court, Bhoiwada, Mumbai | Mr. Ruchir Dholakia | |
| 5 | TMRVL V/s. M/s. J.D. Clothing & Others | CC/3353/SS/2019 Complaint u/s. 138 of N.I. Act, 1881 | ₹ 2,50,000/- | Metropolitan Magistrate, 7 th Court, Bhoiwada, Mumbai | Mr. Ruchir Dholakia | |
| 6 | State V/s. Rewati Kohli | FIR No.0007 dated 07.01.2020 | ₹ 8,46,498/- | Under Investigation by Division 5, Police Commissionerate, Ludhiana | Public Prosecutor (Adv. Rajanbir Singh Gumbher on our behalf) | Ludhiana Police have filed Charge Sheet against Ms. Rewati Kohli (Ex-employee at Silver Arc Mall, Ludhiana) in connection with embezzlement of ₹ 8,46,498/- before the Hon'ble Additional Chief Judicial Magistrate Ludhiana. The cross examination of witness of complainant are being held. The next date in the matter 18.5.2024. |
| TOTAL | | | ₹ 30,96,498/- | | | |
| B. Cases filed against the Company: | | | | | | |
| 1 | Sanskar V/s MRVL | R.S. No.31/2020 | For rendition of accounts and for permanent injunction for not to part away the goods lying in possession of Sanskar. | Commercial Court, Lucknow | Adv. Anupam Kumar | Next date in the matter is 14.05.2024 for filing Written Statement by the Company. |

36 Transfer pricing

The Company's management continues to believe that its domestic transactions are at arm's length and that the transfer pricing legislation will not have any impact on these financial statements, particularly on amount of tax expense and that of tax liability.

NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2024 (Contd.)

- 37** The Company's license arrangement with Being Human - The Salman Khan Foundation ('the Foundation'), which was the core asset of the Company, which has been terminated in the financial year 2019-20. The Company has revisited its business strategy to address these uncertainty caused due to change in business model. The discontinuation of the license agreement with the Foundation has coincided the Company had resumed business development activities in line with its proposed business plans prepared by the management and board of directors of the company, however, uncertainties still do exist considering current market scenario and development of new brand without brand Ambassador, regarding Company's ability to continue as a 'going concern'.

In the Current year company has acquired and registered brand "HUP" and "Device of Turtle" and developed its new range of products and made some progress in that direction. After commercial launch of the products and based on future business operations of the Company has certainty, that future cash flows and projected growth plans are critically dependent upon the materialization of viability of this event.

The Management and Board of directors has not shown any intention to liquidate the Company and in fact from the financial year starting from April - 2023 Company has started selling the inventories designed and manufactured. Accordingly, the financial results continue to be prepared on going concern basis which contemplates realization of assets and settlement of liabilities in the normal course of business and continuation of operations of the company under the brand.

- 37** (B). The following are analytical ratio for the year ended 31st March 2024 and 31st March 2023

| Sr Nos | Name of Ratio | Formula | As on 31 st March 2024 | As on 31 st March 2023 | Variance | Reason for Variance |
|--------|----------------------------------|--|-----------------------------------|-----------------------------------|----------|---|
| 1 | Current Ratio | = $\frac{\text{Cuurent Assets}}{\text{Current Liabilities}}$ | 6.58 | 6.71 | -2% | Percentage reduction in CL is comparatively higher as compared to CA , CL in absolute terms is very small as to current assets. |
| 2 | Return On Equity Ratio | = $\frac{\text{Net Profit After Tax - Prefrence Dividend}}{\text{(Networth / Equity shareholder's Fund)}}$ | -30.97 | -53.18 | -42% | Due to erosion in equity and consistent losses. |
| 3 | Inventory Turnover Ratio | = $\frac{\text{COGS / Sales}}{\text{Average Inventory}}$ | - | 1.11 | -100% | NIL inventory as on 31 st March, 2024. |
| 4 | Trade Receivables Turnover Ratio | = $\frac{\text{Credit Sales}}{\text{Average Account Receivable}}$ | 0.18 | 0.15 | 23% | |
| 5 | Trade Payables Turnover Ratio | = $\frac{\text{Credit Purchase}}{\text{Average Account Payables}}$ | 2.92 | 1.19 | 145% | Due to Increase in purchase as compared to previous financial year in order to stock sale. |
| 6 | Net Capital Turnover Ratio | = $\frac{\text{Sales / Cost of Goods Sold}}{\text{Net Assets}}$ | 0.05 | 0.04 | 12% | |
| 7 | Net Profit Ratio | = $\frac{\text{Net Profit}}{\text{Sales}}$ | -671.28 | -1,314.03 | -49% | Increase in loss and lower revenue in FY 23-24 |
| 8 | Return On Capital Employed | = $\frac{\text{EBIT (Earning before Interest and Tax)}}{\text{Capital Employed}}$ | -65.73 | -50.47 | 30% | Increase in loss and reduced capital employed in FY 23-24 |

- 38** ₹ 347.33 Lakhs is outstanding from Texwiz Private Limited since more than 2 years. The company is in the process of recovering the said amount from the parties.

- 39** The Company has received the security deposit from its promoters/directors of Rs. 888.55 Lakhs, except Rs. 68.54 Lakhs which is due from Mr. Priyavrat Mandhana, a Non -Executive Director. Mr. Priyavrat Mandhana has submitted a cheque of Rs 68.54 Lakhs, bearing cheque number 000491 dated 30th March, 2024, in favour of the Heads UP Ventures Limited. However, the aforementioned cheque has not been deposited/encashed by the company, following a specific request from Mr. Priyavrat Mandhana to do so by 15th May, 2024.

- 40** Other financial liabilities include a sum of Rs. 210.82 lakhs (previous year Rs. 210.74 lakhs) payable to a party which is under reconciliation and subject to balance confirmation.



NOTES TO THE FINANCIAL STATEMENTS AS AT 31 MARCH 2024 (Contd.)

41 No funds have been advanced / loaned / invested (from borrowed funds or from share premium or from any other sources / kind of funds) by the Company to any other person(s) or entity(ies), including foreign entities (Intermediaries), with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) 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 (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

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 (i) 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 (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

42 Other Disclosure in compliance with Sechedule - III of the Companies Act, 2013

- (i) There has been no transaction by or behalf of the company with the struck off companies.
- (ii) There is no immovable property for which title deeds are not held by the Company.
- (iii) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (iv) The Company is not traded or invested in crypto currency or virtual currency during the financial year.
- (v) The Company is not declared willful defaulter by any bank or financials institution or lender during the year.
- (vi) The Company does not have any charges which is yet to be registered with ROC beyond the statutory period.
- (vii) The Company is complaint with clause (87) of Section 2 of the Act read with (Restriction on number of Layers) Rules, 2017.

43 There are no long-term contracts (including derivative contract) that are outstanding at the year end.

44 Previous year figures have been regrouped / rearranged to confirm current year's classification / disclosure.

As per our report of even date attached

For **Ram Agarwal & Associates**
Chartered Accountants
Firm's Registration No: 140954W

For and on behalf of the Board of Directors of
Heads UP Ventures Limited
(Formerly known as The Mandhana Retail Ventures Limited)

Rammahesh Agarwal
Partner
Membership No: 110146
UDIN:24110146BKGUWD8507

Hansraj Rathor
Managing Director
DIN: 07567833

Priyavrat Mandhana
Director
DIN: 02446722

Vishal Parikh
Chief Financial Officer
Membership No: 132586

Aishwarya Gupta
Company Secretary
Membership No: A55120

Mumbai
9 May 2024

Mumbai
9 May 2024

HEADS UP VENTURES LIMITED

CIN: L52390MH2011PLC213349

Registered Office: Plot No. E-132, M.I.D.C. Tarapur Industrial Area, Boisar, Dist. Palghar- 401506
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