



GALAXY
CLOUD
KITCHENS
LIMITED

August 30, 2022

To,
Dept of Corporate Services (CRD)
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001
Ref: Scrip Code: BSE - 506186

Dear Sir/Madam,

Sub: Annual General Meeting and Book Closure.

Pursuant to Regulations 30 and 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, please find enclosed herewith Annual Report for the Financial Year 2021-22 and the Notice convening 40th AGM of the Company.

Please be informed that 40th AGM of the Company is scheduled to be held on Saturday, September 24, 2022 at 11.30 a.m. through Video Conferencing/Other Audio Visual Means, pursuant to the relevant circulars issued by Ministry of Corporate Affairs and SEBI in this regard. The book closure for the purpose of AGM shall be from September 17, 2022 to September 24, 2022 (both days inclusive).

Kindly take the same on your records.

For Galaxy Cloud Kitchens Limited

Shruti Shrivastava
Company Secretary
Encl. a/a

CIN: L15100MH1981PLC024988

Registered Office Knowledge House, Shyam Nagar Off Jogeshwari-Vikhroli Link Road, Jogeshwari (East), Mumbai 400060.
Tel: 022 2803 9405 Email: investors@galaxycloudkitchens.in Website: www.galaxycloudkitchens.in



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ANNUAL REPORT
2021-2022



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Nishant Dholakia (DIN: 05200058)	: Executive Director and Chief Executive Officer
Mr. Rajesh Mittal (DIN: 00231710)	: Independent Director
Mr. Sunil Biyani (DIN: 00006583)	: Non-Executive Director
Mr. Swapnil Kothari (DIN: 05235636)	: Non-Executive Director
Ms. Dimple Somani (DIN: 09685900)	: Additional Independent Director
Mr. Manoj Khemka (DIN: 0009686636)	: Additional Independent Director
Mr. Arvind Agrawal (DIN: 02268683)	: Managing Director
<i>(Resigned w.e.f. March 31, 2022)</i>	
Mr. Sharad Rustagi (DIN: 07232913)	: Independent Director
<i>(Resigned w.e.f. July 25, 2022)</i>	
Mrs. Udita Jhunjhunwala (DIN: 00120951)	: Independent Director
<i>(Term expired on September 17, 2022)</i>	

KEY MANAGERIAL PERSONNELS

Mrs. Suchita Rajput	: Company Secretary & Compliance Officer
<i>(Resigned w.e.f. October 4, 2021)</i>	
Ms. Shruti Shrivastava	: Company Secretary & Compliance Officer
<i>(Appointed w.e.f. October 30, 2021)</i>	
Mr. Atul Joshi	: Chief Financial Officer
<i>(Resigned w.e.f. July 31, 2022)</i>	
Mr. Suraj Bhatt	: Chief Financial Officer
<i>(Appointed w.e.f. August 1, 2022)</i>	

STATUTORY AUDITORS

S A R A & Associates
Chartered Accountants
1015, The Summit Business Bay, Andheri Kurla Road,
Near WEH Metro Station, Andheri East,
Mumbai- 400093.
Tel: 4922 7200

BANKERS

HDFC Bank Limited
AXIS Bank Limited
State Bank of India
ICICI Bank Limited

REGISTERED OFFICE & CORPORATE OFFICE

Knowledge House, Shyam Nagar,
Off Jogeshwari-Vikhroli Link Road
Jogeshwari (East), Mumbai 400060
Tel.: (022) 28039405
CIN: L15100MH1981PLC024988
E-mail: investors@galaxycloudkitchens.in
Website: www.galaxycloudkitchens.in

REGISTRAR AND SHARE TRANSFER AGENT

TSR DARASHAW CONSULTANTS PRIVATE LIMITED
(formerly known as TSR Darashaw Limited)
C-101, 1st Floor, 247 Park,
Lal Bahadur Shastri Marg,
Vikhroli (West), Mumbai 400 083.
Tel.: (022) 6656 8484 / Fax: (022) 6656 8494
Email: Csg-unit@tcplindia.co.in

40th Annual General Meeting
on Saturday, September 24, 2021 at 11:30 a.m. through Video Conferencing (VC)/Other Audio Visual Means (OAVM)

NOTICE is hereby given that the Fortieth Annual General Meeting of the members of Galaxy Cloud Kitchens Limited will be held on Saturday, September 24, 2022, at 11:30 a.m. through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the audited financial statements of the Company for the Financial Year ended March 31, 2022, the reports of the Board of Directors and auditors thereon;
2. To appoint a Director in place of Mr. Sunil Biyani (DIN: 00006583), who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

3. Approval for Material Related Party Transaction(s):

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

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 (**“the Act”**) read along with the Companies (Meetings of Board and its Powers) Rules, 2014 (**“the Rules”**) (including any statutory modification(s), amendment(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time (**“Listing Regulation”**), the provisions of the Memorandum and Articles of Association of the Company and the applicable rules, guidelines and circulars issued by the concerned statutory or regulatory authorities from time to time and as agreed to by Board of Directors of the Company (hereinafter referred to as **“the Board”** which term shall include the Audit Committee of the Board or any Director or Official of the Company), the consent of the Members of the Company be and is hereby accorded to the Material Related Party Transactions as entered/ to be entered into by the Company during the financial year 2022-23, as set out in the statement annexed in this Notice.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do and perform all such acts, deeds, matters and things, as may be required or deemed necessary or incidental thereto and to settle and finalise all issues that may arise in this regard, without further referring to the Members of the Company, including without limitation, negotiation, finalising and executing of necessary agreements, undertakings, memorandum, deeds, documents and such other papers or writings as may be deemed necessary or expedient in its own discretion and in the best interest of the Company and to delegate all or any of its powers herein conferred to the Committee of Directors and/or any Director(s)/Officer(s) of the Company, to give effect to this resolution.”

4. **To consider appointment of Ms. Dimple Somani (DIN: 09685900) as Independent Director**

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

“RESOLVED THAT pursuant to the provisions of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 (**“the Act”**) read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 (**“the Rules”**) for the time being in force (including any statutory modification(s) or re-enactment thereof), Ms. Dimple Somani (DIN: 09685900) who was appointed by the Board of Directors as an Additional Director of the Company with effect from July 26, 2022 and who holds office up to the date of this Annual General Meeting in terms of Section 161 of the Act and Article 116 of the Articles of Association of the Company and who is eligible for appointment as a Director, be and is hereby appointed as a Director of the Company.”

“RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Act, if any, read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“the Listing Regulations”**), for the time being in force (including any statutory modification(s) or re-enactment thereof), the appointment of Ms. Dimple Somani (DIN: 09685900) as an Independent Director of the Company, not liable to retire by rotation, for a period of 5 consecutive years from July 26, 2022 to July 26, 2027, be and is hereby approved.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as **“the Board”**, which term shall

include any committee(s) constituted or to be constituted by the Board to exercise the powers conferred on the Board by this Resolution) be and is hereby authorized to take such steps and do and perform all such acts, deeds, matters and things, as may be considered necessary, proper or expedient to give effect to this resolution.”

5. To consider appointment of Mr. Manoj Khemka (DIN: 0009686636) as Independent Director.

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

“RESOLVED THAT pursuant to the provisions of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 (“the Rules”) for the time being in force (including any statutory modification(s) or re-enactment thereof), Mr. Manoj Khemka (DIN: 0009686636) who was appointed by the Board of Directors as an Additional Director of the Company with effect from July 26, 2022 and who holds office up to the date of this Annual General Meeting in terms of Section 161 of the Act and Article 116 of the Articles of Association of the Company and who is eligible for appointment as a Director, be and is hereby appointed as a Director of the Company.”

“RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Act, if any, read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”), for the time being in force (including any statutory modification(s) or re-enactment thereof), the appointment of Mr. Manoj Khemka (DIN: 0009686636) as an Independent Director of the Company, not liable to retire by rotation, for a period of 5 consecutive years from July 26, 2022 to July 26, 2027, be and is hereby approved.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall include any committee(s) constituted or to be constituted by the Board to exercise the powers conferred on the Board by this Resolution) be and is hereby authorized to take such steps and do and perform all such acts, deeds, matters and things, as may be considered necessary, proper or expedient to give effect to this resolution.”

Registered Office:

Knowledge House, Shyam Nagar,
Off Jogeshwari-Vikhroli Link Road
Jogeshwari (East), Mumbai 400060
CIN: L15100MH1981PLC024988
E-mail: investors@galaxycloudkitchens.in
Website: www.galaxycloudkitchens.in
Place: Mumbai
Date: July 26, 2022

**By Order of the Board
For Galaxy Cloud Kitchens Limited
Sd/-
Shruti Shrivastav
Company Secretary**

NOTES:

1. In view of the outbreak of the COVID-19 pandemic, social distancing norm to be followed and the continuing restriction on movement of persons at several places in the country and pursuant to General Circular Nos. 2/2022, 20/2020, 02/2021 and 19/2021 dated May 5, 2022, May 5, 2020, January 13, 2021 and December 8, 2021 respectively, and clarification circular No. 21/2021 dated December 14, 2021 issued by the Ministry of Corporate Affairs (‘MCA Circulars’) and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’), the 40th AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of Members at a common venue. The deemed venue for the 40th AGM shall be the Registered Office of the Company.
2. Since this AGM is being held pursuant to the MCA circulars through VC/OAVM, physical attendance of Members has been dispensed with and there is no provision for the appointment of proxies. Accordingly, the facility for appointment of proxies by the Members under Section 105 of the Act will not be available for the 40th AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Participation of Members through VC /OAVM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Act.

4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. In line with the various circulars of MCA, Annual Report 2021-22, notice of AGM and instructions for e-voting are being sent only through electronic mode to those Shareholders whose valid e-mail addresses are registered with the Company/ Depositories. Shareholder may note that Notice of AGM has been uploaded on the website of the Company at www.galaxycloudkitchens.in. The Notice can also be accessed from the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
6. Shareholders holding shares in electronic form are requested to intimate all changes pertaining to their bank particulars nominations, power of attorney, address, name, e-mail address, contact numbers, PAN, etc., to their Depository Participant (DP).
7. Information as required under Regulation 26(4) and Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and the Secretarial Standard on General Meetings (“SS-2”) issued by the Institute of Company Secretaries of India (“ICSI”), in respect of the Director seeking re-appointment/appointment at the AGM is annexed hereto as Annexure – I and forms part of the notice.
8. Pursuant to the provisions of Section 91 of the Act, the Registrar of Members and Share Transfer Books of the Company will remain closed from Saturday September 17, 2022 to Saturday September 24, 2022 (both days inclusive).
9. Under Section 124 of the Act, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The Company has not yet declared dividend.
10. Members can avail themselves the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Act. Members desiring to avail themselves of this facility may send their nominations in the prescribed Form No. SH-13 duly filled in to the Company’s R & T Agent. The form can be downloaded from the Company’s website at www.galaxycloudkitchens.in. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.
11. SEBI has mandated the submission of PAN by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the RTA.
12. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
13. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.galaxycloudkitchens.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
14. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

15. Mr. Amit Samani, Practising Company Secretary of M/s. Amit Samani & Co., Company Secretaries (Membership No: F7397 and Certificate of Practice No: 7966), Mumbai, has been appointed as the Scrutinizer to scrutinize the e-voting process during the AGM and remote e-voting process in a fair and transparent manner.
16. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. August 24, 2022, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Wednesday September 21, 2022 from 09:00 A.M. onwards till Friday September 23, 2022 till 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Saturday September 17, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Saturday September 17, 2022.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:





Step 1: Access to NSDL e-Voting system

A. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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 i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp
Type of shareholders	Login Method

	<ol style="list-style-type: none"> 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.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 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; align-items: center;"> <div style="text-align: center; margin-right: 20px;">  <p>App Store</p> </div> <div style="text-align: center; margin-right: 20px;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: center; align-items: center; margin-top: 10px;"> <div style="text-align: center; margin-right: 20px;">  </div> <div style="text-align: center;">  </div> </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 1. Existing users 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. 2. 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. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. 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 i.e. NSDL where the e-Voting is in progress.
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. 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 company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

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 toll free no.: 1800 1020 990 and 1800 22 44 30
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 022- 23058738 or 022-23058542-43

B. Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.

- c. How to retrieve your 'initial password'?
 - i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - ii. If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to team@sgkadvisory.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Megha Malviya at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@galaxycloudkitchens.in
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name,

client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@galaxycloudkitchens.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@galaxycloudkitchens.in. The same will be replied by the company suitably.
6. The Scrutinizer shall, immediately after the conclusion of voting at the AGM will first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of 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 authorised by him in writing, who shall countersign the same.
7. The results declared along with the report of the scrutinizer shall be placed on the Company's website www.galaxycloudkitchens.in and on the website of NSDL www.evoting.nsdl.com immediately. The Company shall simultaneously forward the Stock Exchange.

Notice

Annual Report 2021-2022

8. To support the 'Green Initiative', Members holding shares in demate mode, who have not yet registered their email addresses are requested to register their email addresses with respective Depository Participants and members holding shares in physical mode are requested to update their email addresses with the Company's Registrars and Share Transfer Agent ("RTA"), TSR Darashaw Consultants Private Limited, at Csg-unit@tcplindia.co.in to receive copies of the Annual Report 2021-22 in electronic mode.
9. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this notice.

Registered Office:

Knowledge House, Shyam Nagar,
Off Jogeshwari-Vikhroli Link Road
Jogeshwari (East), Mumbai 400060
CIN: L15100MH1981PLC024988
E-mail: investors@galaxycloudkitchens.in
Website: www.galaxycloudkitchens.in
Place: Mumbai
Date: July 26, 2022

**By Order of the Board
For Galaxy Cloud Kitchens Limited
Sd/-
Shruti Shrivastav
Company Secretary**

EXPLANATORY STATEMENT

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out all the material facts pertaining to the Special Business for the item No. 3 to 5 as stated in the Notice.

Item No. 3

The Company is entering into a related party transaction(s) with Honestly Italian Private Limited, Nilgiri Dairy Farm Private Limited and TNSI Retail Private Limited for Purchase/Sale of Goods and Services, Purchase and Sale of Capital Goods and other services. These transactions were approved by Audit Committee and the Board of Directors from time to time and further are at arm's length basis and in the ordinary course of business and in line with Company's Policy on Related Party Transactions.

Further, the approval of Members is required if as per the provisions of Section 188 (1) of the Act read with relevant rules framed thereunder, the amount of transaction exceed the threshold limit provided therein and/or if as per Regulation 23 of Listing Regulations, transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the Company. Accordingly, the approval of Members is sought for following transactions.

Pursuant to the requirements prescribed under the Companies (Meetings of the Board and its Powers) Rules, 2014 as amended from time to time, the details in relation to such transactions with related parties, are as under:

Name of the Related Party	Name of Director or Key Managerial Personnel who is related, if any	Nature of Relationship	Nature, Material Terms, particulars of the contract or arrangement	Nature of Transactions as per Section 188 of the Companies Act, 2013	Monetary Value of Transactions (₹ In Lakhs)	Any other information relevant or important for the Members to take decision on the proposed resolution
Honestly Italian Private Limited	None	Related Party	As per the terms of the respective contracts or arrangements entered into or to be entered into from time to time in the ordinary course of business and on arms' length basis.	Sale of Services	1000	The transaction have been reviewed and approved by the Audit Committee and Board and an arms' length price has been established. In case of resale, the same is being sold at cost of procurement plus minimum margin for handling as per Applicable Regulations.
				Sale of Goods		
The Nilgiri Dairy Farm Private Limited	None	Related Party		Purchase of services	1000	
				Sale of Goods	1000.00	
TNSI Retail Private Limited	None	Related Party		Purchase of Goods		
				Sale of Services	200.00	
				Sale of Goods	1500.00	

Pursuant to Regulation 23 of the Listing Regulations, all entities falling under the definition "Related Party" shall abstain from voting in respect of the proposed resolution given in the notice, irrespective of whether the entity is a party to the particular transaction or not.

Your Directors recommends the Ordinary Resolution as set out in this Notice for the approval of the Members of the Company.

None of the other Directors of the Company and their respective relatives are, in any way, concerned or interested, financially or otherwise, in the passing of this Resolution.

Item No. 4 and 5

Based on the recommendation of the Nomination and Remuneration Committee the Board of Directors at its meeting held on July 26, 2022, appointed Ms. Dimple Somani (DIN: 09685900) and Mr. Manoj Khemka (DIN: 0009686636) as an Additional Directors of the Company with effect from July 26, 2022 and they holds office upto the date of this 40th Annual General Meeting pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ('the Act') and Article 116 of the Articles of Association of the Company.

The Company has received a notice in writing under the provisions of Section 160 of the Act, from a Member proposing the candidature of Ms. Dimple Somani and Mr. Manoj Khemka for the office of Director of the Company. Ms. Dimple Somani and Mr. Manoj Khemka has conveyed their consent to act as a Director of the Company. The Company has also received other necessary disclosures and declarations from Ms. Dimple Somani and Mr. Manoj Khemka including the declaration that they are not debarred from holding the office of Director pursuant to any order passed by SEBI or any other authority. The Board of Directors at its meeting held on July 26, 2022, as per the recommendations of the NRC also appointed Ms. Dimple Somani and Mr. Manoj Khemka as an Independent Directors, not liable to retire by rotation, for a period of 5 consecutive years from July 26, 2022 to July 26, 2027, subject to the approval by the Members of the Company. Ms. Dimple Somani and Mr. Manoj Khemka have given a declaration to the Board that they meets the criteria of independence as provided in the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In the opinion of the Board, the appointment of Ms. Dimple Somani and Mr. Manoj Khemka as an Independent Director of the Company would be in the interest of the Company.

Accordingly, approval of the Members is sought for the appointment of Ms. Dimple Somani and Mr. Manoj Khemka as a Directors and an Independent Directors of the Company. A copy of the draft letter of appointment as an Independent Directors stating the terms and conditions, is available for inspection by Members at the Registered Office of the Company between 11 a.m. and 1 p.m. on all working days of the Company upto the date of the AGM. As required under Regulation 36 of the Listing Regulations and Clause 1.2.5 of Secretarial Standard-2, other requisite information is annexed as Annexure - 1 hereto, and forms a part of this Notice.

Your Directors recommend the Resolution at Item No. 4 and 5 for approval by the Members by way of a Special Resolution.

Except Ms. Dimple Somani and Mr. Manoj Khemka and their relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel of the Company and their relatives are in anyway concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 and 5 of the Notice.

Registered Office:

Knowledge House, Shyam Nagar,
Off Jogeshwari-Vikhroli Link Road
Jogeshwari (East), Mumbai 400060
CIN: L15100MH1981PLC024988
E-mail: investors@galaxycloudkitchens.in
Website: www.galaxycloudkitchens.in
Place: Mumbai
Date: July 26, 2022

By Order of the Board
For **Galaxy Cloud Kitchens Limited**
Sd/-
Shruti Shrivastav
Company Secretary

ADDITIONAL INFORMATION IN TERMS OF REGULATION 36 OF THE SECURITIES EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, SECRETARIAL STANDARD ON GENERAL MEETINGS (“SS-2”), ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA AND APPROVED BY THE CENTRAL GOVERNMENT IN RESPECT OF DIRECTORS BEING PROPOSED FOR APPOINTMENT / RE-APPOINTMENT.

1.	Name of the Director	Mr. Sunil Biyani	Ms. Dimple Somani	Mr. Manoj Khemka
2.	Date of birth	October 24, 1969	March 08, 1990	December 05, 1978
3.	Date of first appointment on the Board	May 27, 2011	July 26, 2022	July 26, 2022
4.	Director Identification Number	00006583	09685900	0009686636
5.	Qualification	Master’s in Business Administration	Chartered Accountant	Chartered Accountant
6.	Expertise in specific Functional Areas	Mr. Sunil Biyani is a Commerce graduate and obtained Masters in Business Administration. He is instrumental in setting up various formats in the future group. He has extensive experience in textiles, retail sectors, Building and Construction, property related transaction and project management. He leads the real estate, mall management teams of various group Companies within the Future Group.	A chartered accountant with over 8 years of experience in Statutory & Tax Audits, Value added tax, book-keeping and income tax as well.	He has Corporate and Professional experience as a Chartered Accountant of more than 17 years in the field of Management Consultancy. He is known for his excellence in Financial & Retail Business service, budgetary control, Inorganic growth strategies like Merger & Acquisitions and Demergers. He has also experience of Statutory audit, Internal Audit, ROC matters, & Taxations. He has got extensive experience handling Internal & Management audit, New Process Design, Process Review, Business system control, Fraud investigation, Finance planning.
7.	Terms and conditions of re-appointment along with the details of remuneration sought to be drawn	Not Applicable	Not Applicable	Not Applicable
8.	Remuneration last drawn	Not Applicable	Not Applicable	Not Applicable
9.	Number of Board Meeting attended during the year 2021-22	Five (5) out of five (5)	Not Applicable	Not Applicable

10.	Directorship held in other listed Companies (As on March 31, 2022)	Future Market Networks Limited	None	None
11.	Directorship in other Companies (excluding Foreign companies and Section 8 companies) (As on March 31, 2022)	None	None	None
12.	Chairmanship/ Membership of Committees of the Board of Directors of other listed Companies as on March 31, 2022	None	None	None
13.	Chairmanship/ Membership of Committees of the Board of Directors of other Companies as on March 31, 2022	None	None	None
14.	Relationship with other Directors/ key Managerial Personnel (“KMP”)	Not related to any other Director or KMP of the Company.	Not related to any other Director or KMP of the Company.	Not related to any other Director or KMP of the Company.
15.	Shareholding of Director in the Company (As on March 31, 2022)	NIL	NIL	NIL

Board's Report

Annual Report 2021-2022

To,

The Members of Galaxy Cloud Kitchens Limited

Your Directors take pleasure in presenting the Fortieth Annual Report of Galaxy Cloud Kitchens Limited on the business and operations of the Company along with audited financial statements for the financial year ended March 31, 2022.

Financial Results

The Company's financial performance for the year ended March 31, 2022 is as below:

Standalone

(₹ in lakhs)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
Revenue from operations	4,07,407.83	3,02,474.83
Other Income	79,602.62	15,797.94
Total Income	4,87,010.45	3,18,272.77
Personnel Cost	97,711	69,502.35
Operating and other expenses	3,34,398.04	2,53,385.28
Total Expenditure	4,32,109.04	3,22,887.63
Profit before Interest, Depreciation and Tax	54,901.41	(4,614.86)
Less: Interest	7,830.60	10,811.23
Less : Depreciation	38,110.24	40,821.32
Profit/(Loss) before tax	8,960.57	(56,247.41)
Less Provision for Tax	-	-
Profit/(Loss) after Tax	8,960.57	(56,247.41)

COVID-19

RESULT OF OPERATIONS AND THE STATE OF THE COMPANY'S AFFAIRS

During the year under review, Your Company had earned revenue from operations (Gross) of ₹ 4,07,407.83 thousands. The profit before finance cost, depreciation and amortization was of ₹ 54,901.41 thousands as against loss of ₹ 4,614.86 thousands in the previous year. The operating profit after tax was ₹ 8,960.57 thousand as against loss of ₹ 56,247.41 thousands in the previous year.

During the year under review, some of the promoters of the company submitted their request to discontinue as promoters of the company and further requested the company to re-classify them under public category. To give effect to the same, the company had taken approval of the shareholders by way of postal ballot, after receiving recommendation from the Board based on applicable listing regulations based on which an application has been forwarded to the Bombay Stock Exchange (BSE) where the shares of the company are listed, a reply is awaited from the BSE regarding the same.

Business Outlook

The Company operates Cloud Kitchens in Mumbai, Bengaluru and Gurgaon, Cloud Kitchens are mainly engaged in manufacturing of fresh foods ranging from fresh bakery, desserts, hot meals, cold meals to home meal convenience foods and ready to eat products. Currently the Company does private label for renowned players in retail industry and caters to QSR Companies having PAN India presence, currently Company is operating in B2B model and soon planning go into B2C model also.

COVID-19 – IMPACT AND MEASURES

Impact

The Second wave of COVID-19 badly affected the human life and economy of the Country. The situation became grave in April 2021 resulting in imposition of lockdown by many state governments in India. The sudden spike of COVID cases pushed the Indian Economy into a technical recession and adversely impacted the business of the Company during the first quarter of the financial year 2021-22.

The third wave of Covid-19 hit the country during the third quarter of the financial year 2021-22. The situation aroused due to the third wave, was under control due to the preventive measures taken by the states and central governments. The vaccination at large scale, availability of oxygen, medicines, and other medical facilities helped in controlling the situation. This has resulted in limited impact and loss of life in the third wave of covid-19 compared to the first and the second waves. The state governments had imposed restrictions in different parts of India to prevent spread of the omicron variant of Covid-19 virus.

Measures

The Company has taken preventive measures such as wearing of masks, sanitization, social distancing, thermal screening and swab testing within office premises and all the commissaries to prevent spread of Covid-19. The Company has provided adequate Group Mediclaim Insurance cover for treatment of employees and their dependent family members.

Dividend

The Board of Directors of the Company have not recommended any dividend on equity shares in respect of the financial year 2021-22 Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") with regard to formulation of Dividend Distribution Policy are not applicable to our Company.

Transfer to Reserve

The Company has not transferred any amount to reserves during the year and hence no information as per the provisions of Section 134 (3) (j) of the Companies Act, 2013 ("the Act") has been furnished.

Share Capital

During the year under review, the Authorized Share Capital as Stated in Clause V of the Memorandum of Association of the Company, was increased from ₹ 50,00,00,000/- to ₹ 65,00,00,000/- vide ordinary resolution passed by the members at their Extra-Ordinary General meeting held on April 29, 2021.

Accordingly, the Authorised Share Capital of the Company is ₹ 65,00,00,000/- (Rupees Sixty Fifty crore) divided into 6,50,00,000 (Six Crore Fifty Lacs) Equity shares of ₹ 10/- (Rupees Ten) each fully paidup as on March 31, 2022.

The Issued, Subscribed and Paidup Share Capital of the Company as on March 31, 2022 was ₹ 44,93,76,740/- (Rupees Forty Four Crore Ninety Three lakhs Seventy Six Thousand Seven hundred and Forty) divided into 4,49,37,674 (Four Crore Forty Nine lakhs Thirty Seven Thousand Six hundred and Seventy Four) equity shares of ₹ 10/- (Rupees Ten) each fully paidup.

Internal Controls

The Company has robust internal control systems and procedures commensurate with its nature of business which meets the following objectives:

- providing assurance regarding the effectiveness and efficiency of operations;
- efficient use and safeguarding of resources;
- compliance with policies, procedures, applicable laws and regulations; and
- transactions being accurately recorded and promptly reported.

The Company continues to have periodical audits conducted of all its functions and activities to ensure that systems and procedures are followed across all areas.

The Audit Committee of Board of Directors of the Company regularly reviews the adequacy of internal control systems through such audits. The Internal Auditor reports directly to the Audit Committee. The Company also has a budgetary control system to monitor expenditure against approved budgets on an ongoing basis.

Internal Financial Controls

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Statutory Auditors and the Internal Auditors of the Company on the inefficiency or inadequacy of such controls.

Risk Management

The Board of Directors of the Company has formulated a Risk Management Policy which aims at minimizing the risk and enhancing the value and reviews the elements of risks with regard to the business. The risk management approach is based on a clear understanding of the variety of risks that the organization faces, disciplined risk monitoring and measurement and continuous risk assessment, devising and implementing mitigation measures.

Cash Flow Statement

In conformity with the provisions of Regulation 34 of Listing Regulations, Cash Flow Statement for the year ended March 31, 2022 has been provided in the Annual Report and which forms part of this report.

Management Discussion & Analysis

In terms of the provisions of Regulation 34 of Listing Regulations, the Management Discussion and Analysis for the year ended March 31, 2022 is set out in this Annual Report.

Subsidiaries and Associates

The Company is not a holding Company in terms of Section 2 (46) of the Act. There are no subsidiary, associate or joint venture Companies within the meaning of Section 2(6) of the Act. Hence, Form AOC-1 pursuant to provisions of Section 129(3) of the Act, is not provided in this report.

Secretarial Standard

The Company complies with all applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

Listing on Stock Exchanges

The Company's equity shares are listed on BSE Limited.

Particulars of Employees and other additional information

The ratio of the remuneration of each Key Managerial Personal (KMP) to the median of employee's remuneration as per section 197 of the Act, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 forms part of the Board's Report under ('Annexure A').

None of the employees are drawing remuneration as per the ceiling stipulated in terms of Rule 5 (2) (ii) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Disclosures under Section 134(3)(l) of the Companies Act, 2013

No material changes and commitments which could affect the Company's financial position, have occurred between the end of the financial year of the Company and date of this report.

Particulars of Contracts and arrangements made with related parties

All Related Party Transactions that were entered into during the financial year were on arm's length and were in the ordinary course of business. All Related Party Transactions were placed before the Audit Committee of the Board of Directors for their approval. The Audit Committee has granted omnibus approval for Related Party Transactions as per the provisions and restrictions contained in the Listing Regulations. Pursuant to Regulation 23 of the Listing Regulations, all related party transactions were placed before the Audit

Committee on a quarterly basis, specifying the nature, value and terms & conditions of the transactions for their review.

The information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Form No. AOC-2 as (**Annexure 'B'**) which forms part of this report.

The related party disclosures as specified in Para A of Schedule V read with Regulation 34(3) of the Listing Regulations are given in the Financial Statements.

Corporate Social Responsibility

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable to Company.

Corporate Governance

Our corporate governance practices are reflection of our value system encompassing our culture, policies and relationships with our stakeholders. Integrity and transparency are key to our corporate governance practices to ensure that we gain and retain the trust of our stakeholders at all times.

As per Regulation 34 (3) read with Schedule V of the Listing Regulations, the auditor's certificate on corporate governance is enclosed as (**'Annexure D'**) to the Board's report. The auditor's certificate for financial year 2021-22 does not contain any qualification, reservation or adverse remark.

Board Diversity

The Company recognizes and embraces the importance of a diverse board in success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experiences, cultural and geographical background, age, ethnicity, race and gender that will help us to retain our competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity. The Board Diversity Policy is available on our website http://www.galaxycloudkitchens.in/Corporate_Policies_and_Code.html#.YwzR93ZBwuU. Additional details on Board diversity are available in the Corporate Governance report that forms part of this Annual Report.

Disclosures related to Board, Committees, Policies and number of Board meetings

During the year, 5 (Five) Board Meetings were convened and held through audio/video conferencing, the details of which are given in the Corporate Governance Report. The intervening gap between two consecutive meetings was within the period prescribed under the Act. All the Directors actively participated in the meetings and provided their valuable inputs on the matters brought before the Board of Directors from time to time.

On February 10, 2022, the Independent Directors held a separate meeting in compliance with the requirements of Schedule IV of the Act and the provisions of Listing Regulations.

As on March 31, 2022, the Board had three committees: the Audit committee, Nomination Remuneration and Compensation Committee and the Stakeholders Relationship Committee. The meeting details are provided in the Corporate Governance Report that forms part of this Annual Report. Details of Committees of the Company along with their terms of reference, composition and meetings held during the year, are provided in the Corporate Governance Report, which forms part of this Annual Report.

Directors and Key Managerial Personnel:

The Board had judicious combination of Executive, Non-Executive and Independent Directors to maintain the independence of the Board and separate its functions of governance and management. As on March 31, 2022, the Board of Directors of the Company consisted of Mr. Arvind Agrawal, Managing Director, Mr. Rajesh Mittal, Mrs. Udita Jhunjhunwala and Mr. Sharad Rustagi, Independent Directors, Mr. Sunil Biyani and Mr. Swapnil Kothari, Non-Executive Directors.

Mr. Sunil Biyani retires by rotation and being eligible, offers himself for re-appointment. A resolution seeking shareholders' approval for his re-appointment forms part of the Notice.

Mr. Nishant Dholakia was appointed as Chief Executive Officer of the Company w.e.f March 17, 2022.

Mr. Arvind Agrawal has resigned from the post of Managing Director of the Company from the close of the working hours of March 31, 2022.

Mr. Sharad Rustagi (DIN: 07232913), Independent Director of the Company resigned from the Board of the Company w.e.f. July 25, 2022, due to preoccupation and confirmed that there is no other reason other than those stated in his resignation letter dated July 25, 2022. Consequently, Mr. Sharad Rustagi also ceased to be a member of Audit committee w.e.f. July 25, 2022.

Ms. Udita Jhunjunwala (DIN: 00120951) would be completing her second term as Independent Director of the Company on September 17, 2022. Ms. Udita Jhunjunwala would also ceased to be a member of Audit committee and Nomination and Remuneration Committee w.e.f. September 17, 2022 due to expiry of her term as Independent Director.

Ms. Suchita Rajput has resigned from the post of Company Secretary and Compliance Officer of the Company with effect from October 3, 2021. Ms. Shruti Shrivastava, an associate member of the Institute of Company Secretary of India, has been appointed as Company Secretary and Compliance Officer w.e.f. October 30, 2021 in her place.

Mr. Atul Joshi has resigned from the post of Chief Financial Officer of the Company from the close of the working hours of July 31, 2022. Mr. Suraj Bhatt, Chartered Accountant, has been appointed as the Chief Financial Officer of the Company w.e.f. August 1, 2022 in his place.

Audit Committee

The Composition, terms of reference, powers and roles of Audit Committee of the Company are disclosed in the Corporate Governance Report, which forms part of this Annual Report. There were no instances where the Board did not accept the recommendations of the Audit Committee.

Nomination, Remuneration and Compensation Committee

A Nomination, Remuneration and Compensation Committee is in existence in accordance with the provisions of sub-section (1) of Section 178 of the Act. Kindly refer section on Corporate Governance, which is forming part of this report, under head 'Nomination, Remuneration and Compensation Committee' for matters relating to constitution, meetings, functions of the Committee and the remuneration policy formulated by this Committee.

Policy on Directors' Appointment and Remuneration

The current policy is to have an appropriate mix of Executive, Non-Executive and Independent Directors to maintain the independence of the Board and separate its function of governance and management. The policy of the Company on Directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a Director and other matters, as required under sub-section (3) of Section 178 of the Act is available on our website at http://www.galaxycloudkitchens.in/Corporate_Policies_and_Code.html#.YwzR93ZBwuU.

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 Act and SEBI Listing Regulations.

In a separate meeting of independent Directors, performance of non-independent directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of executive Director and non-executive Directors. The Directors expressed their satisfaction with the evaluation process.

The Board and the Nomination Remuneration and Compensation Committee reviewed the performance of individual Directors on the basis of criteria such as the contribution of the individual Director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

At the board meeting that followed the meeting of the Independent Directors and meeting of Nomination Remuneration and Compensation Committee, the performance of the Board, its Committees, and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the independent Director being evaluated.

Moreover, further detail regarding skill, expertise and competencies of Directors are disclosed in the Corporate Governance Report which forms part of this Annual Report.

Declaration by Independent Directors

The Company has received necessary declaration from each Independent Directors that he/she meets the criteria of independence laid down in Section 149(6) of the Act along with Rules framed thereunder, and Regulation 25 of Listing Regulations.

Director's Responsibility statement

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that:

- i. in preparation of the annual accounts for the financial year, the applicable accounting standards have been followed and there are no material departures, wherever applicable;
- ii. such accounting policies have been selected and applied consistently and made judgments and estimates that are 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 of the Company for the year ended on that date;
- iii. proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. they have prepared the annual accounts on a going concern basis;
- v. internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and operating effectively;
- vi. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Auditors and Auditor s' Report

At the thirty seventh AGM held on September 16, 2019, the Members approved re-appointment of S A R A & Associates, Chartered Accountants (Registration No. 120927W) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the forty second AGM of the Company.

The Auditors' Report on the financial statements for the financial year ended March 31, 2022 does not contain any qualification, observation, emphasis of matter of adverse remark and doesn't contain any instances of fraud as mentioned under Section 143 of the Act. The Auditors' Report is enclosed with the financial statements as a part of this Annual Report.

Secretarial Auditor and Secretarial Audit Report

Pursuant to Section 179 and 204 of the Act and rules made thereunder, M/s. Nidhi Bajaj & Associates, Practising Company Secretary (Membership No. 28907/Certificate of Practice No. 14596) was appointed as a Secretarial Auditor to conduct the secretarial audit of the Company for the financial year 2021-22. The Secretarial Auditors' Report for the financial year 2021-22 is enclosed as ('Annexure C') which forms part of this Report. The said Secretarial Auditors Report does not contain any qualifications, reservations or adverse remarks.

Cost records and Cost audit

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

Disclosure relating to equity shares with differential rights

The Company has not issued any equity shares with differential rights during the year under review and hence no information as per provisions of Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 has been furnished.

Disclosure relating to Employee Stock Option Scheme and Employee Stock Purchase Scheme

The Company has not issued or granted any Employee Stock Option Scheme and Employee Stock Purchase Scheme during the year under review and hence no information as per provisions of Rule 12 of the Companies (Share Capital and Debenture) Rules, 2014 has been furnished.

Disclosure relating to sweat equity shares

The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 has been furnished.

Disclosures in respect of voting rights not directly exercised by employees

There are no shares held by trustees for the benefit of employees and hence no disclosure under Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014 has been furnished.

Disclosure of Orders passed by Regulators or Courts or Tribunal

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

Energy, Technology Absorption and Foreign Exchange

Information required under Section 134 (3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo are enclosed as (**'Annexure E'**) to the Board's report.

Declaration by Executive Director and CEO

As per Regulation 34(3) read with Schedule V of the Listing Regulations, declaration stating that the members of board of Directors and senior management personnel have affirmed compliance with the code of conduct of board of Directors and senior management is enclosed as (**'Annexure F'**).

Deposits from Public

During the year under review, your Company neither accepted any deposits nor there were any amounts outstanding at the beginning of the year which were classified as 'Deposits' in terms of Section 73 of the Act read with the Companies (Acceptance of Deposit) Rules, 2014 and hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

Particulars of Loans, Guarantees or Investments under section 186 of the Act

Details of loans, Guarantees and Investments covered under the provisions of Section 186 of the Act form part of the Notes to the Financial Statements provided in this Annual Report.

Prevention of Sexual Harassment Policy

The Company has in place a prevention of Sexual Harassment Policy in line with the requirements of the sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. We follow a gender-neutral approach in handling complaints of sexual harassment and we are compliant with law of the Land. We have also constituted an internal Committee to consider and address sexual harassment complaints in accordance with the Sexual Harassment of Women at Workplace (prevention, prohibition and Redressal) Act, 2013. All employees (Permanent, contractual, temporary and trainees) are covered under this policy. During the year 2021-22, no complaints were received by the Company related to sexual harassment.

Vigil Mechanism

The Company has a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees in confirmation with Section 177(9) of the Act and Regulation 22 of Listing Regulations, to report concerns about unethical behaviour. The details of the policy have been disclosed in the Corporate Governance Report, which is a part of this report and is also available on http://www.galaxycloudkitchens.in/Corporate_Policies_and_Code.html#.YwzR93ZBwuU.

Detection of Fraud

During the year under review, No Fraud has been reported by the auditor's viz. statutory and secretarial auditors to the Audit Committee or the Board in terms of Section 143(12) of the Act.

Board's Report

Annual Report 2021-2022

Acknowledgement

The Directors thank the Company's employees, customers, vendors, investors and academic partners for their continuous support. We place on record our appreciation for the contribution made by our employees at all levels. Our consistent growth was made possible by their hard work, solidarity, cooperation and support.

The Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic.

For and behalf of the Board of Directors

Place: Mumbai
Date: July 26, 2022

Nishant Dholakia
Executive Director and
Chief Executive Officer
DIN: 05200058

Sunil Biyani
Director
DIN: 00006583

'ANNEXURE A'

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013, READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

- i. The ratio of remuneration of each Director to the median remuneration of the employees (MRE) of the Company for the financial year 2021-22 and the percentage (%) increase in remuneration of each Director and the key Managerial Personnel ("KMP") for the same period are under:

(₹ In Lakhs)

Name of Director/KMP and Designation	Remuneration of Director/ KMP for Financial Year 2021-22 (₹ In Lakhs) (1)	% increase in Remuneration in the F.Y. 2021-22 (2)	Ratio of remuneration of each Director/KMP to MRE for financial year 2021-22 (3=(1)/MRE)
Managing Director			
Mr. Arvind Agrawal	20.58	-	87.37
Other Key Managerial Personnels:			
Mr. Atul Joshi- Chief Financial Officer	21.40	-	90.76
Mrs. Suchita Rajput- Company Secretary (Resigned w.e.f. October 4, 2022)	5.32 (1.86 + 1.37)	-	22.57
Ms. Shruti Shrivastav Company Secretary (Appointed w.e.f. October 30, 2022)	5.22 (3.15)		
Mr. Nishant Dholakia Chief Executive Officer (Appointed w.e.f March 17, 2022)	3.98		

- ii. The Median Remuneration of Employees (MRE) of the Company during the F.Y. 2021-22 was ₹ 34,000/- and for the previous year it was ₹ 23,567/-.
- iii. There is 4% decrease in MRE in the financial year 2021-22 as compare to Financial Year 2020-21.
- iv. There were 236 permanent employees on the rolls of Company as on March 31, 2022 and for the previous year there were 311 employees.
- v. Average percentage increase/decrease made in the salaries of employees other than the managerial personnel in the F.Y. 2021-22 was -30% whereas Percentage increase/ (decrease) in the managerial remuneration: Certain deductions were made on managerial remuneration considering the pandemic situation as per Group Policy for the financial year 2021-22.
- vi. Justification, including any exceptional circumstances, for increase in the managerial remuneration: N.A.
- vii. The Company affirms that the remuneration is as per the Remuneration Policy of the Company.

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- i. There were no employees in the Company who were drawing a remuneration throughout the financial year 2021-22 as stipulated in Rule 5(2)(i).
- ii. There were no employees in the Company who were drawing a remuneration for any part of the financial year 2021-22 as stipulated in Rule 5(2)(ii).
- iii. The Directors of the Company does not draw remuneration from the Company and none of the employees directly or indirectly holds more than 2% of the equity shares of the Company.

For and on behalf of the Board of Directors

Place: Mumbai
Date: July 26, 2022

Nishant Dholakia
Executive Director and Chief Executive Officer

Annexure 'B'
FORM AOC – 2

(Pursuant to Section 134 (3) (h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in Section 188(1) of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2022, which were not at arm's length basis.

2. Details of material contracts or arrangements or transactions at arm's length basis:

Name(s) of the related party and nature of relationship.	Future Retail Limited	Future Consumer Limited	The Nilgiri Dairy Farm private Limited
Nature of contracts / arrangements / transactions.	Manufacture, packaging, & supply of goods & services	Manufacture, packaging, & supply of goods & services	Manufacture, packaging, & supply of goods & services
Duration of the contracts	Yearly with renewal option	Yearly with renewal option	Yearly with renewal option
Salient terms of the contracts / arrangements / transactions including the value, if any.	Arrangement is with respect to manufactured, packaged supply of goods & services at is set out in mutually agreed and signed rate arrangements/purchase Order.	Arrangement is with respect to manufactured, packaged supply of goods & services at is set out in mutually agreed and signed rate arrangements/purchase Order.	Arrangement is with respect to manufactured, packaged supply of goods & services at is set out in mutually agreed and signed rate arrangements/ purchase Order.
Date(s) of approval by the Board.	12-05-2022	12-05-2022	12-05-2022
Amount paid as advances, if any.	Nil	Nil	Nil

Annexure 'C'
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members

GALAXY CLOUD KITCHENS LIMITED

CIN: L15100MH1981PLC024988

Knowledge House, Shyam Nagar,

Off. Jogeshwari- Vikhroli Link Road,

Jogeshwari (E) Mumbai City MH 400060 IN

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GALAXY CLOUD KITCHENS LIMITED** (CIN: L15100MH1981PLC024988) (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the Company's books, legal papers, minutes 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, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022, 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 examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 and made available to me, according to the provisions of:
 - i. The Companies Act, 2013 ('the Act') and the rules made thereunder to the extent applicable;
 - 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. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and External Commercial Borrowings, **Not applicable**;
 - v. 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 (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;
 - d. 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.
 - e. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - vi. The Management has identified and confirmed the following laws as specifically applicable to the Company
 - i. Maharashtra Contract Labour (Regulation and Abolition) Rules, 1971,
 - ii. Maharashtra State Tax on Professions, Trades, Callings And Employments Act, 1975,
 - iii. Environment (Protection) Act, 1986,

Board's Report

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- iv. The Trade Marks Act, 1999,
 - v. Food Safety and Standards Act, 2006 and Food Safety and Standards Act, 2011 and applicable general business laws, rules, regulations and guidelines.
2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 1992 ('SEBI Act') were not applicable to the Company during the financial year under report:-
- a. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - b. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - c. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
 - e. 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. I have also examined compliance with applicable clauses of the following:
- i. Secretarial Standards issued by The institute of Company Secretaries of India with respect to Board and general meetings.
 - ii. The Listing Agreements entered into by the Company with BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the Financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We further report that during the audit period the following events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc:

- The Company has complied with the provisions related to appointment of Key Managerial Personnel in terms of the provisions of Section 203 of the Act and Rules 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the period under review.

Adequate notice was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance to all Directors 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. As per the minutes, the decisions of the Board Meetings were taken unanimously.

We 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. As informed, the Company has responded appropriately to communication received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.

**For Nidhi Bajaj & Associates
Company Secretaries**

**Nidhi Bajaj
Proprietor**

ACS – 28907, COP - 14596

UDIN: A028907D000804638

Peer Review Certificate No.2458/2022

Place: Mumbai

Dated: August 17, 2022

ANNEXURE 'D'

PRACTICING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of **Galaxy Cloud Kitchens Limited**

I have examined the compliance of conditions of corporate governance by Galaxy Cloud Kitchens Limited ("the Company"), for the financial year ended March 31, 2021, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 and para C, D and E of Schedule V of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

The compliance conditions carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Company Secretaries of India and was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Listing Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me and based on the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations.

I further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Nidhi Bajaj

Company Secretaries

s/d-

Nidhi Bajaj

Proprietor

CP. NO: 14596, ACS No: 28907

UDIN: A028907D000800601

Place: Mumbai

Date: August 16, 2022

ANNEXURE 'E'

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

[Section 134 (3) (m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY

- Energy Conservation steps taken;
- Steps taken by the Company for utilizing alternate sources of energy and
- Capital investment on energy conservation equipment's.

Disclosure for (a) to (c): The Company's operations involve very low energy consumption. Wherever possible energy conservation measures have been implemented and there are no further areas where energy conservation measures can be taken. However, efforts to conserve and optimize the use of Energy through improved Operational methods and other means will continue.

The Company has no collaborations and is engaged in the manufacture of the products by its own developed methods/ operations. The Company has setup a Business Intelligence Team whose emphasis is on product development, product quality, Cost reduction, energy conservation and improvement in process productivity.

B. TECHNOLOGY ABSORPTION

Research and Development (R & D):

Specific areas in which R&D is carried out by the Company:	Nil
Benefits derived as a result of the above R & D	
Future Plan of Action	
Expenditure on R & D	Nil
a. Capital	
b. Recurring	
c. Total	
d. Total R & D expenditure as a percentage of total turnover	

Technology absorption, adaptation and innovation:

Efforts in brief, made towards technology absorption, adaptation and innovation	Nil
Benefit derived like product improvement, cost reduction, product development, import substitution etc.	Nil
In case of Imported Technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished:	Nil
a) Technology Imported	
b) Year of Import	
c) Has technology been fully absorbed	
d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plan of action	

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

(Amount in ₹)

	Current Year	Previous Year
Foreign Exchange Earnings	-	-
Foreign Exchange Outgo	-	-

ANNEXURE 'F'

DECLARATION BY MANAGING DIRECTOR

To
The Members Galaxy Cloud Kitchens Limited

Sub: Declaration regarding compliance with the Company's Code of Conduct for Directors and Employees

I hereby declare that the Directors and Senior Managerial Personnel of the Company have affirmed their compliances with the Code of Conduct of Board of Directors and senior management for the year ended March 31, 2022.

For Galaxy Cloud Kitchens Limited

Sd/-

Nishant Dholakia

Executive Director and Chief Executive Officer

Place: Mumbai

Date: June 26, 2022

CORPORATE GOVERNANCE FOR THE YEAR ENDED MARCH 31, 2022

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2022, in terms of Regulation 34 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("The Listing Regulations").

Company's Philosophy on Code of Corporate Governance

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

Our corporate governance framework ensures that we make timely disclosures and share accurate information regarding our financials and performance, as well as disclosures related to the leadership and governance of the Company.

During the financial year under review, the Company has complied with all the applicable provisions of the Listing Regulations.

• Audits and internal checks

The Company's accounts are audited by M/s. S A R A & Associates, Chartered Accountants, Mumbai. With respect to Internal Audit, an external firm acting as independent internal auditor reviews internal controls and operating systems and procedures.

With respect to Legal Compliances, the Company conducts its business with high standards of legal, statutory and regulatory compliances.

• Observance of Secretarial Standards issued by the Institute of Company Secretaries of India

The Secretarial Standards on the Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI), are adhered to by the Company.

➤ Board of Directors

Code of Conduct

The members of the Board and Senior Management Personnel have affirmed compliance in terms of Regulation 17 of the SEBI Listing Regulations with the Code of Conduct applicable to them during the year ended March 31, 2022. A declaration signed by the Executive Director and Chief Executive Officer to this effect is attached to this Report. This Code has also been hosted on the Company's website www.galaxycloudkitchens.in.

Composition of the Board

The composition of the Board is in conformity with the Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act.

None of the Directors on the Board:

- holds directorships in more than ten public companies;
- serves as Director or as Independent Directors (ID) in more than seven listed entities; and
- who are the Executive Director serves as IDs in more than three listed entities.

As per Regulation 26 of Listing Regulations, none of the Directors on the Board is a Member in more than 10 (ten) Committees and/or Chairman in more than 5 (five) Committees, across all public companies in which he/she is a Director. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2022 have been made by the Directors.

The Composition of the Board as on March 31, 2022 are as under:

Sr. no.	Name of the Directors	DIN	Category
1.	Mr. Arvind Agrawal	02268683	Managing Director
2.	Mr. Rajesh Mittal	00231710	Independent Director
3.	Mrs. Udit Jhunjunwala	00120951	Independent Director
4.	Mr. Sharad Rustagi	07232913	Independent Director
5.	Mr. Sunil Biyani	00006583	Non-Executive Director
6.	Mr. Swapnil Kothari	05235636	Non-Executive Director

Report On Corporate Governance

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No Director is inter-se, related to any other Directors on the Board nor is related to the other Key Managerial Personnel of the Company.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI 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 SEBI Listing Regulations and that they are independent of the management. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

Meetings and attendance

Five meetings of Board of Directors were held on June 29, 2021, August 12, 2021, October 30, 2021, February 10, 2022 and March 17, 2022. The gap between two meetings did not exceed number of days as prescribed in the Listing Regulations and the Act. Details of meetings and attendance by the Directors of the Company are as under:

Name of Director	No. of Board Meetings		Attended AGM held on September 30, 2021
	Entitled to attend	Attended	
Mr. Arvind Agrawal	5	5	Yes
Mr. Sunil Biyani	5	5	Yes
Mr. Sharad Rustagi	5	5	Yes
Mrs. Udita Jhunjunwala	5	5	Yes
Mr. Swapnil Kothari	5	5	Yes
Mr. Rajesh Mittal	5	5	Yes

The information on composition of the Board, category and their Directorships/Committee membership across all the Companies in which they are directors as on ended March 31, 2022:

Name of Directors	Directorships and Category of Directorship in other Listed entity	No. of Directorships		No. of membership/ Chairmanships of Committees in public Companies (including this listed entity)		No. of Equity shares held in the Company
		Public (including this listed entity)	Private/ Non-profit/LLP	Memberships	Chairmanships	
Mr. Arvind Agrawal	Nil	1	1	0	0	0
Mr. Swapnil Kothari	Nil	9	2	10	1	0
Mr. Sunil Biyani	Future Market Networks Ltd	4	8	4	0	0
Mr. Sharad Rustagi	Nil	3	3	3	1	0
Mrs. Udita Jhunjunwala	Future Market Networks Ltd	2	0	0	1	0
Mr. Rajesh Mittal	Nil	1	3	0	1	0

Due to the exceptional circumstances caused by the COVID-19 pandemic and consequent relaxations granted by MCA and SEBI, all Board meetings in FY 2022 were held through Video Conferencing.

During FY 2022, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, has been placed before the Board for its consideration. The Board periodically reviews the compliance reports of all laws applicable to the Company.

None of the Directors of the Company does hold any shares in the Company.

Independent Directors meeting

During the year under review, one meeting of the Independent Directors was held on February 10, 2022, without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole; the performance of the Chairman of the Company, taking into account the views of Executive Director and Non-Executive Directors.

Terms of Appointment of Independent Directors

Terms and conditions of appointment/re-appointment of Independent Directors in terms of Regulation 46 of SEBI Listing Regulations and Section 149 read with schedule IV of the Act are available on the Company's website.

Familiarisation Programme of Independent Directors

The familiarisation programme for Independent Directors of Company aims at familiarising them with the overall structure of the Company, their roles, rights, responsibilities therein, nature of the industry in which the Company operates, business model of the Company, etc., in order to provide them with better understanding of the business and operations of the Company. Details of familiarisation programme imparted to Independent Directors is available at website of the Company at www.galaxycloudkitchens.in.

Matrix setting out skills/expertise/competence as identified by the Board.

The following is the list of core skills /competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available within the Board Members:

- **Corporate Governance**

Experience in implementing good corporate governance practices, reviewing compliance and governance practices for a sustainable growth of the company and protecting stakeholder's interest.

- **Financial Expertise**

Knowledge and skills in accounting, finance, treasury management, funding and financial reporting processes.

- **Industry specific**

Vendor Management, Business Development, Technology, Marketing & Communications and Operational efficacy.

- **Personal attributes & qualities**

Leadership, Effective Communication, Honesty, commitment, Professionalism and Independence.

- **Risk management**

Ability to understand and assess the key risks to the organization, legal compliances and ensure that appropriate policies and procedures are in place to effectively manage risk.

➤ Committees of the Board

The Board Committees play a vital role in ensuring sound Corporate Governance practices. The Committees are constituted to handle specific activities and ensure speedy resolution of diverse matters. As on March 31, 2022 the Board has Four (4) Committees: Audit Committee, Stakeholders Relationship Committee, Nomination Remuneration and Compensation Committee and Committee of Directors. Due to the exceptional circumstances caused by the COVID-19 pandemic all Committee meetings in F.Y. 2022 were held through Video Conferencing. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below:

A. Audit Committee

The Audit Committee acts as a link among the Management, the Statutory Auditors, Internal Auditors and the Board of Directors to oversee the financial reporting process of the Company. The Committee's purpose is to oversee the quality and integrity of accounting, auditing and financial reporting process including review of the internal audit reports and action taken report.

The Audit Committee met four times i.e. June 29, 2021, August 12, 2021, October 20, 2021 and February 10, 2022 and the time interval between any two Audit Committee meetings was not more than 120 days. The Committee's composition meets with the requirements of Section 177 of the Act and Regulation 18 of the Listing Regulations.

Composition of the committee as on March 31, 2022 are as under:

Name of Member	Category	Position	No. of Meetings entitled to attend	No. of Meetings Attended
Mr. Rajesh Mittal	Independent Director	Chairman	4	4
Mr. Swapnil Kothari	Non-Executive Director	Member	4	4
Mrs. Udit Jhunjhunwala	Independent Director	Member	4	4
Mr. Sharad Rustagi	Independent Director	Member	4	4

Committee invites such of the executives as it considers appropriate, representatives of the statutory auditors and internal auditors, to be present at its meetings. The Board of Directors review the Minutes of the Audit Committee Meetings at subsequent Board Meetings. The previous AGM of the Company was held on September 30, 2021 and was attended by Mr. Rajesh Mittal, Chairman of the Audit Committee.

Ms. Shruti Shrivastav, Company Secretary and Compliance Officer, acts as a Secretary of the Committee.

Terms of reference of the Audit Committee

Role of the Audit Committee, inter-alia, includes the following:

- 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;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of Section 134(5)(c) read with Section 134(3)(c) of the Act;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management;
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions;
 - Modified opinion(s) in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- 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 utilised 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;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 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;

- Discussion with internal auditors of any significant findings and follow up there on;
- 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;
- 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;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividend) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as mentioned in the terms of reference of the Audit Committee; and
- Reviewing the utilization of loans and/ or advances from/investment by the Holding Company in the subsidiary exceeding Rs. 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/investments.

Review of information by Audit Committee:

- The Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses;
- The appointment, removal and terms of remuneration of the Chief Internal Auditor and;
- Statement of deviations:
 - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange.
 - (a) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice.

B. Nomination, Remuneration and Compensation Committee:

The Nomination, Remuneration and Compensation Committee comprised two Independent Directors and one Non-Executive Director as on March 31, 2022. The Committee's constitution and terms of reference are in compliance with the Regulation 19 of the Listing Regulations and Section 178 of the Act.

During the financial year under review, the committee met 1 (one) time on March 17, 2022 and all the members of the committee except Mr. Swapnil Kothari were present at the meeting. The Board of Directors reviews the Minutes of the Nomination Remuneration and Compensation Committee Meetings at subsequent Board Meetings. The Company Secretary acts as the Secretary of the Committee. The previous AGM of the Company was held on September 30, 2021 and was attended by Mrs. Udita Jhunjunwala, Chairperson of the Committee.

The composition of Committee and members attendance at the meeting during the year are as under:

Name of Members	Category	Position
Mrs. Udita Jhunjunwala	Independent Director	Chairperson
Mr. Rajesh Mittal	Independent Director	Member
Mr. Swapnil Kothari	Non-Executive Director	Member

Terms of Reference of the Committee, inter-alia, include the followings:

- Formulate of the criteria for determining qualifications, positive attributes and independence of a Directors and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;
- Formulate the criteria for evaluation of performance of Independent Directors and the Board;
- To devise a policy on Board diversity;
- 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 their appointment and removal and shall carry out evaluation of every Director's performance;
- To extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Director;
- To recommend to the board, all remuneration, in whatever form, payable to senior management; and
- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable;
- To perform such other functions as may be necessary or appropriate for the performance of its duties;
- To recommend to the board, all remuneration, in whatever form, payable to senior management.

C. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee performs various functions conferred under the Listing Regulations and Section 178 of the Act, which mainly covers ensuing resolution of grievances of security holders of the Company.

One meeting of the Committee was held on February 10, 2022. The Minutes of the Stakeholders' Relationship Committee are reviewed by the Board of Directors at the subsequent Board Meeting. The Company Secretary acts as the Secretary of the Committee as per the requirements of SEBI Listing Regulation. The previous AGM of the Company was held on September 30, 2021 and was attended by Mr. Swapnil Kothari, Chairman of the Committee.

The composition of Committee and members attendance at the meeting during the year are as under:

Name of Members	Position	Category	No. of Meetings	No. of Meetings Attended
Mr. Swapnil Kothari	Chairman	Non-Executive Director	1	1
Mr. Sunil Biyani	Member	Non-Executive Director	1	0
Mr. Rajesh Mittal	Member	Independent Director	1	1

The Committee's composition and the terms of reference meet with the requirements of Regulation 20 of the Listing Regulations and Section 178 of the Act.

Terms of Reference of the Committee, inter-alia, includes the following:

The terms of reference of the Stakeholders' Relationship Committee *inter-alia* includes the following:

- Resolving the grievances of security holders of the Company including complaints related to transfer / transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings etc;
- Reviewing measures taken for effective exercise of voting rights by shareholders;
- To review the adherence of service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- To review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company;

- Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

Based on the report received from the Company's Registrars and Share Transfer Agent, during the year ended March 31, 2022, no investor complaints were received and no complaints were outstanding as on March 31, 2022.

D. Performance evaluation criteria for Independent Directors

The performance evaluation criteria for independent directors is determined by the Nomination Remuneration and Compensation committee. An indicative list of factors that may be evaluated include participation and contribution by a Director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behaviour and judgement.

Remuneration Policy

The Company believes that human resource is the key for the continuous growth and development of the Company. The Company's Remuneration Policy is designed to attract, retain and motivate employees by offering appropriate remuneration packages and retiral benefits and also rewarding performance of key employees by offering employee stock options to contribute and participate in the overall corporate growth, profitability and financial success of the organisation. The Remuneration Policy is in consonance with the existing industry practice.

A. Remuneration structure of Directors:

- Independent/Non-Executive Directors receive remuneration by way of sitting fees for attending meetings of Board and Board Committees (where they are members) subject to ceiling/ limits as provided under the Act and rules made thereunder or any other enactment for the time being in force.
- No remuneration other than sitting fees has been paid to any of the Directors except to Managing Director.

B. Remuneration structure of Key Managerial Personnel (KMP) and Senior Management Personnels is as detailed hereunder:

- The compensation of KMP and Senior Management Personnels shall be approved by the Nomination, Remuneration and Compensation Committee.
- The Compensation of KMP and Senior Management Personnels is done keeping in consideration the prevailing market value of the resource, criticality of role and internal parity of the team.
- The remuneration structure of KMPs and Senior Management personnel may include a variable performance linked component.

Remuneration Paid to Directors in fiscal 2022:

(Amt in ₹)

Name of Directors	Sitting Fees Paid*	Salaries, allowances and perquisites+	Total
Mr. Sunil Biyani	1,35,000	-	1,35,000
Mrs. Udita Jhunjhunwala	2,45,000	-	2,45,000
Mr. Swapnil Kothari	2,20,000	-	2,20,000
Mr. Sharad Rustagi	2,35,000	-	2,35,000
Mr. Rajesh Mittal	2,55,000	-	2,55,000
*Mr. Arvind Agrawal	-	-	-

*Notes:

- Sitting fees include payment to the Directors for attending meetings of Board, Audit Committee, Nomination Remuneration and Compensation Committee, Stakeholders Relationship Committee and Meeting of Independent Directors.
- The remuneration payable to Mr. Arvind Agrawal was discontinued w.e.f. September 10, 2020 although he continued to act as Managing Director of the Company.

Board Meeting

Scheduling and selection of agenda items for Board Meetings

Board Meetings are governed by structured agenda. The Company Secretary draft the agenda for each meeting, in consultation with Chief Financial Officer and Managing Director and distribute these in advance to the Directors. Every Board member can suggest the inclusion of additional items in the agenda. The Board meets at least once a quarter to review the quarterly results and other items on the agenda and also on the occasion of AGM. However with the Board being represented by independent Directors from various parts of the country, it may not be possible for each one of them to be physically present at all the meetings. Hence, we provide video/teleconferencing facilities to enable their participation. The board members are expected to rigorously prepare for, attend and participate in Board and applicable committee meetings. Each member is expected to ensure their current and planned future commitments do not materially interfere with their responsibilities with us.

Detailed presentations are made at the Board / Committee meetings covering Finance, major business segments and operations of the Company, business strategy and the risk management practices before taking on record the quarterly / half yearly / annual financial results of the Company.

The required information as enumerated in Part A of Schedule II to SEBI Listing Regulations is made available to the Board of Directors for discussions and consideration at every Board Meeting. The Board periodically reviews compliance reports of all laws applicable to the Company as required under Regulation 17(3) of the SEBI Listing Regulations. During the year, the Board of Directors accepted all recommendations of the Committees of the Board, which were statutory in nature and required to be recommended by the Committee and approved by the Board of Directors.

The Companies Act, 2013 read with the relevant rules made thereunder, now facilitates the participation of a Director in Board/ Committee Meetings through video conferencing or other audio visual mode. Accordingly, the option to participate in the Meeting through video conferencing was made available for the Directors except in respect of such Meetings/ Items which are not permitted to be transacted through video conferencing.

Recording minutes of proceedings at Board and Committee meetings

The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board / Board Committee members for their comments. Thereafter, after considering the comments minutes are finalized and placed before the next meeting for approval.

Post meeting follow-up mechanism

The guidelines for Board and Board Committee meetings facilitate an effective post meeting follow-up, review and reporting process for decisions taken by the Board and Board Committees thereof. Important decisions taken at Board / Board Committee meetings are communicated promptly to the concerned departments/divisions. Action-taken report on decisions / minutes of the previous meeting(s) is placed at the succeeding meeting of the Board / Board Committee for noting.

Selection of new Directors

The Board is responsible for selection of new Directors. The Board delegates the screening and selection process to the Nomination, Remuneration and Compensation Committee which consist majority of Independent Directors. The Committee, based on defined criteria, makes recommendations to the Board on the induction of new Directors.

The Nomination, Remuneration and Compensation Committee, works with the entire board to determine the appropriate characteristic's skills and experience required for the board as a whole and for individual members. Members are expected to possess the required qualifications, integrity, expertise and experience for the position. They should also possess deep expertise and insights in sectors / areas relevant to the Company, and ability to contribute to the Company's growth.

Compliance Officer

Ms. Shruti Shrivastav, Company Secretary is the Compliance Officer responsible for complying with requirements of Securities Laws, Listing Regulations and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

Code of Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons

The Company's Code of Conduct for regulating, monitoring and reporting of trading by Designated Persons as adopted by the Company, inter-alia, prohibits dealing in the securities of the Company by Designated Persons while in possession of unpublished price sensitive information in relation to the Company. This Code has been revised in line with the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018.

Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information

The Board has also laid down the Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information (“Code of Fair Disclosures”) in accordance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, with a view to regulate communication of unpublished price sensitive information for any purpose other than the legitimate purpose as defined under the said Code of Fair Disclosures. The Code of Fair Disclosure is hosted on Company’s website at the www.galaxycloudkitchens.in

Risk Management

The Company has a well-defined risk management framework in place, which provides an integrated approach for identifying, assessing, mitigating, monitoring and reporting of all risks associated with the business of the Company.

The Audit Committee / Board of Directors periodically review the risk assessment and minimization procedures and ensures that executive management controls risk through means of properly defined framework.

The risk management framework adopted by the Company is discussed in detail in the Management Discussion and Analysis forming part of this Annual Report.

Certificate from Practicing Company Secretary in Practice

M/s. Amit Samani & Co., Practicing Company Secretaries, has issued a certificate as required under Regulation 34(3) and Schedule V Para C clause (10)(i) of Listing Regulations, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Director of the Company by the SEBI/Ministry of Corporate Affairs or any such statutory authorities. The certificate is annexed to this Report.

Means of Communication

Website	Your Company maintains a website www.galaxycloudkitchens.in . The website provides details, inter alia, about the Company, its performance including quarterly financial results, annual reports, press release, shareholding pattern, contact details etc.
Quarterly/ Annual Financial Results	Generally published in Business Standard (English Daily Newspaper) and Mumbai Lakshadweep (Marathi Newspaper). The results are also uploaded by BSE on their Website www.bseindia.com .
Stock exchanges	All periodical information, including the statutory filings and disclosures are filed with BSE. The filings required to be made under the Listing Regulations, including the Shareholding pattern and Corporate Governance Report for each quarter are also filed on BSE Listing Centre.
Investor servicing	A separate e-mail id investors@galaxycloudkitchens.in has been designated for the purpose of registering complaints by shareholders or investors.

➤ General Body Meetings

The Company convenes Annual General Meeting (AGM) within the stipulated time period. The details of the Special Resolutions passed at the previous three AGM are given below:

a. Details of the Special Resolutions passed at the previous three AGM:

Financial Year	Day, Date & Time	Venue	Special Resolution Passed
2018-19	Monday, September 16, 2019, 3:00 p.m.	Sunville Banquets 9, Dr. Annie Besant Road, Worli, Mumbai – 400 018.	<ul style="list-style-type: none"> Re-appointment of Mrs. Udit Jhunjhunwala (DIN: 00120951) as an Independent Director of the Company.
2019-20	Tuesday, September 29, 2020, 11:30 a.m.	through Video Conferencing (‘VC’)/Other Audio Visual Means (‘OAVM’)	<ul style="list-style-type: none"> No special resolution were passed.
2020-21	Thursday, September 30, 2021, 11:00 a.m.	through Video Conferencing (‘VC’)/Other Audio Visual Means (‘OAVM’)	<ul style="list-style-type: none"> No special resolution were passed.

b. Extraordinary General Meeting:

No extraordinary general meeting of the members were held during F.Y. 2022.

c. Details of Postal Ballot during the F.Y. 2021-22:

During the year, the Company approached shareholders through postal ballot to pass three resolutions:

Details of the Resolutions passed at the Postal Ballot:

Description	Type of resolution	No. of votes Polled	Votes cast in favour	Votes cast against	Invalid votes/abstain votes
Appointment of Mr. Swapnil Kothari (DIN: 05235636) as Director of the Company	Ordinary Resolution	83	21118509	10556	0
Appointment of Mr. Nishant Dholakia (DIN: 05200058) as Executive Director of the Company	Ordinary Resolution	82	21118506	10556	3
Re-classification of outgoing promoters to "Public" shareholder category	Ordinary Resolution	78	16937275	10559	4181231

➤ **Details of non-compliance:**

The Company has complied with all the requirements of regulatory authorities. There were no instances of non-compliance by the Company and no penalty or strictures were imposed on the Company by the Stock Exchange or Securities and Exchange Board of India or any statutory authority, on any matter relating to the capital markets.

➤ **Auditor's Certificate on corporate governance:**

A certificate has been received from Amit Samani & Co., Practising Company Secretaries, 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 Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

➤ **M/s. S A R A & Associates, Chartered Accountants (Firm Registration No. 120927W) has been appointed as the Statutory Auditors of the Company. The particulars of payment of Statutory Auditors' fees, on consolidated basis for F.Y. 2022 is given below:**

Particulars	Amount (in ₹) in lacs
Audit Fees	200
Tax Audit Fees	150
Limited Review Fees	75
Other services	125
Total	550

Related Party Transactions

All transactions entered into during the financial year 2021-22 with Related Parties as defined under the Act and Listing Regulations were in the ordinary course of business and on an arm's length basis. All related party transactions were reviewed and approved by the Audit Committee and the material related party transactions were approved by the members. The details of related party transactions are given in notes forming part of the Financial Statements for the year ended March 31, 2022.

Policy on dealing with related party transactions is available on the website of the Company at www.galaxycloudkitchens.in.

Disclosures of transactions of the listed entity with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the Company

During the year under review, Future Enterprises Limited, Promoter Company, and Central Departmental Stores Private Limited, Promoter group Company hold more than 10% of paid up share capital of the Company. Requisite details of transactions with the said related party is given under Note. 33 to the Financial Statements for the financial year ended March 31, 2022. There were no other transactions with any entity forming part of Promoter Group and holding more than 10% of the shareholding in the Company.

Disclosure of Accounting Treatment

In the preparation of the financial statements, the Company has followed the accounting policies and practices as prescribed in the Accounting Standards.

➤ Code of Conduct

The members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them during the year ended March 31, 2022. The Integrated Annual Report of the Company contains a certificate by the Managing Director, on the compliance declarations received from the members of the Board and Senior Management.

➤ Whistle Blower Policy/Vigil Mechanism

The Company has this Policy and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behaviour. No person has been denied access to the Chairman of the Audit Committee. The said policy has been uploaded on the website of the Company. The whistle blower policy, inter-alia, provides a direct access to the Chairperson of the Audit Committee. The establishment of vigil mechanism is available on the website of the Company at www.galaxycloudkitchens.in.

➤ Policy for determination of material subsidiary

The Company does not have any material unlisted subsidiary Company. However, the Company has a policy for determining material subsidiaries of the Company, which is disclosed on its website.

➤ Policy on Archival and Preservation of Documents

The Company has adopted the said policy.

➤ Disclosure in relation to Sexual harassment of Women at workplace (prevention, prohibition and Redressal) Act, 2013

No. of complaints filed during the financial year	No. of complaints disposed of during the financial year	No. of complaints pending as on end of financial year
None		

Compliance with mandatory requirements

Your Company has complied with all the mandatory requirements of the Listing Regulations relating to Corporate Governance.

➤ Discretionary Requirements (Part E of Schedule II of Listing Regulations):

1. Chairman of the Board: At present, the Board does not have Chairman. The Company did not maintain a Chairman's office at the Company's expense or reimburse expenses incurred in performance of his duties, during the year under review.
2. Shareholders' Rights: Quarterly and half yearly financial results of the Company are furnished to the Stock Exchange and are also published in the newspapers and uploaded on website of the Company. Hence, half yearly results were not separately sent to shareholders. Significant events are also posted on the Company's website under the Investors Section. The complete Annual Report is sent to every shareholder of the Company.
3. Modified opinion(s) in audit report: During the year under review, the Company has unmodified audit opinion on the Company's financial statements. The Company continues to adopt best practices and has ensured a track record of financial statements with unmodified audit opinion.

Report On Corporate Governance

Annual Report 2021-2022

4. Reporting of Internal Auditor: Internal Auditors of the Company make quarterly presentations to the audit Committee on their report.

I. General Shareholders information:

a. Corporate Identity Number (CIN) of the Company: L15100MH1981PLC024988.	
b. Annual General Meeting	
Date:	September 24, 2022, Saturday
Time:	11.30 a.m.,
Venue:	The Company is conducting meeting through VC/OAVM pursuant to the MCA circular dated May 5, 2020 and as such there is no requirement to have a venue for the AGM. For details please refer to the notice of the AGM
c. Financial Year:	April 1, 2021 to March 31, 2022
d. Book Closure Period:	September 17, 2022 to September 24, 2022 (both days inclusive)
e. Dividend:	
During the year under review, the Board of Directors of the Company has not recommended any dividend for the financial year ended March 31, 2022.	
f. Financial Calendar for 2022-23:	
Financial year is April 1 to March 31 and financial results will be declared as per the following schedule.	
Quarter ending June 30, 2022:	Mid-August, 2022
Quarter ending Sept 30, 2022:	Mid November, 2022
Quarter ending December 31, 2022:	Mid February, 2022
Annual Result of 2022-23:	End May, 2023
g. Listing of Equity Shares on Stock Exchange:	
BSE Limited (BSE)	
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001	
h. Listing fees:	
Listing fees as applicable have been paid to the stock exchange where the shares of the Company are listed.	
i. Scrip Code: 506186	
ISIN - INE403B01016	

j. Stock performance

High, lows and Volumes of GCKL from April 1, 2021 to March 31, 2022 at BSE.

Month	BSE		
	High (₹)	Low (₹)	Total number of equity Shares Traded
April 2021	20.55	11.56	213967
May 2021	16.05	13.3	1370
June 2021	16.5	12.9	31475
July 2021	17.8	12.5	155859
August 2021	20.5	14.5	144918
September 2021	18.9	14.95	48447
October 2021	24.05	14.95	79856
November 2021	18.75	13.3	32175
December 2021	25.65	12.00	131996
January 2022	35.4	24.05	263184
February 2022	29.15	18.85	87218
March 2022	24.45	17.55	65904

k. Distribution of Shareholding

The distribution of the shareholding of the Equity Shares of the Company by size and by ownership class as on March 31, 2022 is as below:

i. Distribution of equity shareholding as on March 31, 2022:

Distribution Range of Shares	No. of Shares	% of shares	No. of Shareholders	% of Shareholders
1 – 500	3,34,519	0.75	2,663	79.18
501 – 1000	2,40,245	0.54	287	8.53
1001 – 2000	2,40,012	0.54	156	4.64
2001 – 3000	1,50,951	0.33	58	1.72
3001 – 4000	1,32,627	0.29	37	1.10
4001 – 5000	1,37,586	0.31	29	0.86
5001 – 10000	3,78,525	0.84	52	1.55
10001-9999999	4,33,23,209	96.40	81	2.42
Total	4,49,37,674	100.00	3363	100.00

ii. Categories of equity shareholding as on March 31, 2022:

Categories	As on March 31, 2022	
	No. of equity Shares	Percentage of holding
Promoters, Relatives and Associates	2,19,58,957	48.87
Directors	-	-
Foreign Institutional Investor/ Mutual Funds	-	-
Public Financial Institutions / State Financial Corporation / Insurance Companies	-	-
Mutual Funds (Indian) and UTI	-	-

Nationalized and other Banks	-	-
NRI / OCBs	1,16,950	0.26
Public	47,53,989	10.57
Others (CM/Other Body Corporate/HUF/Trusts/Foreign Portfolio Investor (Corporate))	1,81,07,778	40.3
Total	4,49,37,674	100.00

I. Dematerialization of Shares

As on March 31, 2022, **4,49,37,674** Equity Shares representing 99.87% of the total Equity Capital of the Company were held in dematerialized form. The bifurcation of shares held in Physical and Demat form as on March 31, 2022, are given below:

Particulars	No. of Shares	Percentage
Physical Segment	60,291	0.13
Demat Segment	4,48,77,383	99.87
NSDL	2,57,02,506	57.20
CDSL	1,91,74,877	42.67
Total	4,49,37,674	100.00

m. Share Transfer system:

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form.

Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. In view of this, investors are advised and recommended to dematerialise the security of the Company held by them at earliest to avoid any delay for transfer.

n. Outstanding GDR/ADR or warrants or any convertible instruments

The Company has not issued any GDRs/ADRs/Warrants etc during the financial year 2021-22. There are no outstanding GDR/ADR or warrants or any convertible instruments as on March 31, 2022.

o. Commodity price risk or foreign exchange risk and hedging activities

The business operations of the Company were carried out within the country. Hence, there is no material exposure of the foreign exchange which may have any adverse impact on the financial position of the Company. Accordingly, there is no requirements of hedging the foreign exchange risk.

p. Plant locations

The Company is engaged in business of manufacturing of food and confectionary items. It operates at Mumbai and Bengaluru as on March 31, 2022.

q. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the Listing Regulations

During the year under review, the Company has not raised any fund through preferential allotment or qualified institutions placement.

r. **Address for correspondence:**

i. **Any Query on Annual Report:**

Ms. Shruti Shrivastav

Company Secretary & Compliance Officer
Knowledge House, Shyam Nagar,
Off Jogeshwari-Vikhroli Link Road
Jogeshwari (East), Mumbai 400060.
Phone: 022 28039405
Email id for investors: investors@galaxycloudkitchens.in
Website: www.galaxycloudkitchens.in

ii. **Investors correspondence:**

Registrar and Transfer Agent

TSR Darashaw Consultants Private Limited (TCPL)
(formerly known as TSR Darashaw Limited)
C-101, 1st Floor, 247 Park,
Lal Bahadur Shastri Marg,
Vikhroli (West), Mumbai 400 083.
Phone: 022-66568484
Email Id: csg-unit@tcplindia.co.in
Website: www.tcplindia.co.in

Effective April 1, 2021, the registered address of TCPL has changed to the abovementioned address from 6, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai 400 011.

- s. **Credit Rating:** No credit rating has been obtained by the Company during the year under review.
- t. **Unclaimed shares:** No shares lying in the unclaimed suspense account as on March 31, 2022.
- u. The Company has paid custodial fees for the year 2022-2023 to National Securities Depository Limited and Central Depository Services (India) Limited on the basis of number of beneficial accounts maintained by them.

MD / CFO Certification

The Members,
Galaxy Cloud Kitchens Limited

Sub: Compliance certificate under Regulation 17(8) read with Part B of Schedule II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is to certify that for the financial year ended March 31, 2022:

1. We have reviewed the financial statements and the cash flow statement for the financial year as aforesaid and to the best of our knowledge and belief:
 - a. these financial statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. these statements together present a true and fair view of the Company's affair and are in compliance with existing Accounting Standards (Ind AS), applicable laws and regulations.
2. 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 the Company's Code of Conduct for Directors and Employees;
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems for financial reporting of the Company and there were no deficiencies in the design or operation of such internal controls; and
4. We have indicated to the Auditors and the Audit Committee:
 - a. that there were no significant changes in internal control, over financial reporting, during the year;
 - b. all significant changes in the accounting policy during the year, if any, have been disclosed in the notes in respective place in the financial statement; and
 - c. there were no instance of fraud, of which we have become aware of.

For **Galaxy Cloud Kitchens Limited**

Nishant Dholakia
Executive Director and Chief
Executive Officer

Atul Joshi
Chief Financial Officer

Certificate from Practicing Company Secretary

(Pursuant to clause 10 of Part C of schedule V of LODR)

In pursuance of sub clause (i) of clause 10 of Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of GALAXY CLOUD KITCHENS LIMITED having (CIN: L15100MH1981PLC024988), I hereby certify that:

On the basis of written representative/declaration received from the Directors and taken on record by the Board of Directors as on March 31, 2022, none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Director of Companies by the SEBI /Ministry of Corporate Affairs or any such statutory authority.

For Nidhi Bajaj
Company Secretaries
Sd/-

Nidhi Bajaj

Proprietor
CP. NO. 14596, ACS No: 28907

UDIN: A028907D000800447
Date: August 16, 2022
Place: Mumbai

- a) Industry structure and developments.
- b) Opportunities and Threats.
- c) Outlook
- d) Risks and concerns.
- e) Internal control systems and their adequacy.
- f) Material developments in Human Resources / Industrial Relations front, including number of people employed
- g) Discussion on financial performance with respect to operational performance.

A) **Industry structure and development**

An industry which was the most affected with the Pandemic now is witnessing growth in leaps and bounds. A majority of which has been fueled by the overall aspect of revenge shopping among customers while as offices are opening up, people have started eating out. Even those who are working from home are moving out during weekdays and weekends. However, families with children have taken a much longer time to start going out in the recent past. The growth also includes home deliveries to an extent. It helped us survive as well during the Covid period and we hope to continue with it ahead.

Food Service industry

This year, food manufacturers can expect to see many of the same ongoing trends, but others will emerge this year as the ramifications from COVID-19 continue to be felt across industries. Innovation in sustainability practices will be a top priority as manufacturers adapt to growing consumer demands and ESG requirements evolve. Supply chain disruptions and widespread labour shortages will continue to make their impact and thus shift the balance between retail products and food service.

There is reason to be optimistic about this years' industry outlook, and manufacturers are well-positioned to help customers adapt to these expected top trends:

1 Commitment to Sustainability

New science and data consistently point to an increasing urgency to address the human impact on climate change, and consumers are more aware than ever before about how their personal decisions, and the brands they support, impact the environment. Manufacturers are addressing customer calls to be more eco-conscious. Trends that are gaining support are shifts away from fossil fuel-based energy sources, reduced water consumption, sustainable packaging (recyclable, biodegradable, or options that significantly reduce plastic use), and clean, eco-friendly detergent and cleaning solutions for end-products and equipment.

2 The Rise of Plant-Based

More than half of consumers in the developed countries are eating more plant-based foods, and its popularity is expected to grow in 2022. Plant-based diets have increased 300% for Americans in the last 15 years, and global retail sales of plant-based food alternatives may reach \$162 billion by 2030 — up from \$29.4 billion in 2020. If so, the projected plant-based food market would make up 7.7% of the global protein market.

As increased health and environmental consciousness continue to drive consumer desires and decisions, manufacturing technologies should adapt accordingly. Many existing solutions are already addressing this increased demand, but manufacturers should also consider adapting to customers' unique internal processes, the type of product being developed and the means of processing them.

Plant-based proteins and dairy alternatives are some of the most popular alternatives, and these options will continue to be at the forefront. In fact, a 2021 study conducted for the Food Marketing Institute (FMI) by The Hartman Group, indicated that 29% of shoppers are moderating meat intake, and 9% of shoppers do not eat meat products at all. The rise of culture-based proteins is also on the horizon. Cultured meat made its marketing debut almost a decade ago and will continue to rise as a leading alternative-protein source.

As these new processes scale up, specialists will work with customers to transform existing batch processes to efficient continuous processes and bring their well-established food science expertise for conventional foods to this new technology.

3 The fusing of the physical and digital experience

E-commerce and bricks and mortar can co-exist in harmony, achieving a 'next level experience' which seamlessly integrates and combines the benefits of both. This omnichannel approach is the 'phygital' shopping experience, which seamlessly integrates the physical and digital. We've seen food producers, retailers and bakers adopt this hybrid business model when the pandemic hit. Suddenly, click-and-collect or home delivery options were available. And in order to stay in touch with consumers, pâtissier's and chocolatiers did Instagram live streams or shared behind-the-scenes shots on their Facebook page.

This hybrid business model – combining the advantages of both on- and offline channels – is key for any food producer in order to stay relevant for demanding consumers. While 77% of consumers say they would not like to see the end of stores in the street, they wish to benefit from the convenience of digital shopping. For any chocolate, pastry or bread brand, an online presence is indispensable nowadays. Almost half of the people in our survey said they like to get inspiration on the product offering of local shops on social media, so an online presence is an easy way to boost sales.

4 Gluten-Free Products Continue to Rule

With gluten-free becoming increasingly associated with consumers, more brands are using wheat alternative flours that have good functionality and consumer appeal. Oats are becoming a popular choice - especially for their healthy beta-glucan fiber, protein, vitamin, and mineral content, as well as their affordability. They are also high on sustainability due to the low water usage and eco-friendly crop rotation systems associated with oat production.

5 Cutting Down on Sugar

The global rise in diabetes cases has led to this trend. Many manufacturers are replacing a portion of sugar with malt oligosaccharides for low-sugar, high-fiber cookies by adding alpha-cyclodextrin to reduce the glycaemic index of bread. In India, many bread eaters are looking for low-sugar claims on bread. Bakers are also slowly catching up to this trend of low sugar or no sugar claims in their offerings.

Food Service Industry

The current Industry trends are a testimony to the fact that India is expected to become the fifth largest consumer market in the world by 2025. The diversity which India has in terms of its rich cultural heritage and the evolving and varied food preferences across the various. Demographics makes India a potential market for Innovation in food and beverages. This coupled with the millennials becoming Global citizens makes India a "Market of Choice" for startups as well as MNC and the next few years should see a Sea change in the way the industry performs.

The increase in nuclear families in urban India with preferences of "No Kitchen Homes" is going to provide the much-needed adrenaline shot to the growing industries of Quick commerce and home delivery aggregators. The young Indian is spoilt for choice and the need is satiated by the numerous startups and innovations in the way food is perceived on various social media platforms which essentially is one of the biggest impulse triggers for the quintessential millennial of modern India

The ability of the Indian consumer to adapt to western trends of plant-based protein, Dairy ad gluten free diets is setting new trends and increasing the demand for new product innovations. The health-conscious Indian is now not only particular about what he eats but wants to know where is the food manufactured and food hygiene and GMP have now become top of the mind priorities for the Indian Consumer

The ever-increasing real estate prices for restaurants have now made frozen and retort the new fresh and more and more Local as well as established players are looking at back ending their processes by using outsourced manufacturing to drive efficiencies on space as well as labor. This presents a huge opportunity to develop a customized line of manufacturing the basics of. restaurant industry which will help facilitate efficient growth for the end user as well as create a new line of business for GCKL

Of the nearly \$400 billion overall Indian food and beverages industry, the food processing sector accounts for about \$130 billion. It makes up 10 percent of the agriculture GDP and 12 percent of the manufacturing GDP.

The Indian Brand Equity Foundation (IBEF) quotes figures from the Department of Industrial Policies and Promotion to say that the food processing sector received foreign investments of \$6.4 billion from April 2000 to June 2015. The CII believes that the food sector has the potential to receive investments worth \$33 billion before 2025.

B) Opportunities and Threats

Inflation and Cost Pressures: To counter the rising prices the Company is looking at further leveraging the economies of scale available by opening centralized kitchen facilities in key locations. Also, current locations which were built to cater to the group business which have hit a pause right now are being relocated to ensure operational efficiencies

Legal Compliance: Being in food industry, the Company is required to obtain various license related to food safety in addition to normal manufacturing licenses and need to ensure product quality. The Company ensures the same with help of state of art quality labs at all its centralized kitchen facilities.

Market: GCKL has now trying to make foray into the long shelf-life bakery segment in order to ride the “Quick E comm wave”. Apart from that several new clients are being on boarded and talks are on with Pan India players. Like Chaayos, Chai point, Pizza Express for being the preferred vendor on a pan India basis. The Company shall continue its effort to penetrate in market and establish its products through better quality and prompt service of the orders, about which the management is confident.

C) Out look

Considering the huge cost involved in operation and maintenance, the Company consolidated its operations to sectors that are profits making in terms of location and formats. This has reduced the operational cost significantly. The Company propose to focus more on such formats and locations to strengthen the financials and may take up additional business activities in line with the objects of the Company.

The Company wish to set a target to show a performance which should be better than the industry. For this purpose, the management has already geared up to reduce the cost at each possible processing level and at the same time introduce such products which would find good market and also at the same time generate better margin for the business.

D) Risk and Concerns

The state of external environment, including factors like interest rates, inflation, and growth in economic activity and job creation and consumer sentiment continues to be the biggest source of threat as well as opportunity for the Company. Any slowdown in the economic activity in the country, significant job losses or high rates of inflation can severely impact the consumption and therefore growth of the Company. Other external factors, including a steep rise in interest rates or drastic changes in the policy or regulatory environment can pose financial challenge for the Company. However, the continued steps taken by the Company has reduced its reliance on the debt funds while improving its debt maturity profile. Reduction in the cost of finance had also reduced stress on its cash flow, thereby improving business efficiency and helped in reducing overall operating cost.

The set controls and defined responsibilities at each level of management require evaluation of the various existing risks and new expected risks at an early stage and immediate action plan to mitigate such risks. Further the authorities given at each management level ensures implementation and execution of such action plan with minimized risk. Further, use of information technology for implementation as well as regular review and evaluation of such risks and risk mitigation action plan by management ensures minimization of such risks.

E) Internal Control Systems and their Adequacy

At GCKL, internal control systems and procedure are adequately commensurate with the size and structure of the business. The operating and business control procedures have been planned and implemented in a manner that ensures efficient use of resources, as well as compliance with procedures and regulatory requirements.

The Company has engaged a firm of Internal Auditors to carry out audits extensively throughout the year with the objective of testing the adequacy and effectiveness of internal controls and recommending improvements.

The Audit Committee hold discussions with auditors periodically about internal control systems, the scope of audit including the observations and reviews of the quarterly, half yearly and annual financial statements before submission to the Board. The Audit Committee ensures compliance of internal control systems.

F) Human Resources/Industrial Relation Font:

The industrial relations across different locations of the Company were cordial during the year. The Company has, over the last few months, built the team necessary to be able to build and execute the vision that has been articulated in the preceding paragraphs. The total number of employees of the Company as on March 31, 2021 stood at 311 Previous year 368.

G) Financial performance with respect to operational performance

Sales:

The Company achieved total revenue of ₹ 4074.08 lakhs during the financial year ended March 31, 2022 in comparison to ₹ 3024.75 lakhs in previous twelve months.

Profit/Loss after Tax:

The Company recorded a Net Profit of ₹ 89.61 Lakhs for financial year ended March 31, 2022 in comparison of loss of ₹ 562.46 lakhs in previous financial year.

Finance Cost:

Finance Cost reduced from ₹ 106.11 lakhs incurred in previous twelve months of 2020-21 to ₹ 78.31 lakhs for financial year ended March 31, 2022.

Dividend:

The Board of Directors has not recommended any dividend for the year under review.

Equity Share Capital:

There have been no change in the Equity share capital of the Company during the year under review. The equity share capital of the Company is ₹ 44,93,76,740/- divided into 44937674 equity shares of ₹ 10/- each.

Earnings Per Share (EPS):

The Company's Basic EPS has improved marginally from ₹ (1.29) in previous financial year to ₹ 0.20 per share for the current financial year ended March 31, 2022.

Cautionary Statement:

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward - looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include domestic and global environment; supplies and demand conditions affecting prices of final product and service, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

Independent Auditor’s Report

Annual Report 2021-2022

To The Members of Galaxy Cloud Kitchens Limited (Formerly known as Galaxy Entertainment Corporation Limited) Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Galaxy Cloud Kitchens Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the financial statement, including a summary of significant accounting policies and other explanatory information (herein after referred to as “the financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	Principal audit procedure performed
Provision for Doubtful Debts The company has provided provision for Doubtful Debts amounting to ₹ 53.57 lakhs.	<ol style="list-style-type: none">i. The management has made provision as per The Expected Credit Loss (‘ECL’) approach which involves an estimation of probability weighted loss on financial instruments over their life considering reasonable and supportable information about past events current conditions and forecasts of future economic conditions which could impact the credit quality of the company’s Loans And Advances.ii. In the process, the company has estimated a probability of default which could impact the Receivables of the company and therefore, a significant degree of judgment has been applied by the management for:<ul style="list-style-type: none">• Staging of Receivables [i.e. classification in ‘Significant Increase In Credit Risk’ (‘SICR’) and ‘default’ categories].• Grouping of Debtors based on homogeneity by using appropriate statistical techniques.• Estimation of behavioral life.

Independent Auditor's Report

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Key Audit Matters	Principal audit procedure performed
	<ul style="list-style-type: none"> • Estimation of losses for Receivables with no/minimal historical defaults. <p>Principal audit procedures performed</p> <ul style="list-style-type: none"> ▪ We have evaluated the reasonableness of the management estimates by understanding the process of ECL estimation and related assumptions and tested the controls around data extraction and validation. ▪ Assessed the criteria for staging of Receivables based on their past-due status to check compliance with requirement of IndAS 109. ▪ Tested the ECL model including assumptions and underlying computation.
<p>Fixed Assets/ Leased Assets</p> <p>The new Accounting Standard Ind AS 116 suggest capitalisation of lease asset and creating lease liability. Expenses need to be charged as depreciation and finance cost instead of rental expenses.</p>	<p>We have obtained the working of lease assets including amortisation schedule and ensured that the same is in line with applicable Indian Accounting Standards and accurately disclosed in the financial statements. Further the Company has applied the practical expedient available as per amendment to Ind AS 116, "Leases" for rent concessions which are granted due to Covid-19 pandemic. Accordingly, 201.06 Lakhs has been recognised under 'Other Income' for the year ended 31st March,2022</p>

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report there on.

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

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

Management's Responsibility for the Financial Statement

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these financial statement 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Financial Statement

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

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

- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statement, including the disclosures, and whether the financial statement represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statement of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraphs 3 and 4 of the order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

Independent Auditor's Report

Annual Report 2021-2022

- 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 loss, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid financial statement comply with the Indian Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the director is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls refer to our separate report in "Annexure B";
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statement;
 - ii. The Company did not have any long-term contracts including derivative contracts hence the question of making a provision for any resulting material foreseeable losses does not arise; and;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

For S A R A & Associates
Chartered Accountants
Firm Registration No: 120927W

Purvash Mayur Shah
Partner
Membership No: 173448
Place: Mumbai
Date: May 12, 2022
UDIN No: 22173448AIVYIJ6064

Annexure A to Independent Auditor's Report

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ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF GALAXY CLOUD KITCHEN LIMITED ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

- i. (a) (A) According to the information and explanations given to us, the Company is maintaining proper records showing full particulars, including quantitative details and situations of all Property, Plant & Equipment (PPE);
(B) According to information and explanations given to us, there are no intangible assets, accordingly, clause 3(i) (a) (B) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, Property Plant & Equipment have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (d) According to information and explanations given to us and on the basis of our examination of the records of company, the company has not revalued it's PPE during the year. Accordingly, provisions of Clause 3(i)(d) of the Order are not applicable to the Company.
- (e) According to information and explanations given to us and on the basis of our examination of the records of company, no proceedings have been initiated or are pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, provisions of Clause 3(i) (e) of the Order are not applicable to the Company.
- ii. (a) As explained to us, inventory has been physically verified by the management during the year and no material discrepancies were noticed.
- (b) According to information and explanations given to us and on the basis of our examination of the records of company, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions during the year on the basis of security of current assets.
- iii. The company has not made investment in, provided any guarantee or security or granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnership or other parties. Therefore, the provisions of the Clause 3(iii)(a), (b), (c), (d), (e) & (f) of the Order are not applicable to the Company.
- iv. According to the information and explanations given to us the company has not given/made any loans, investments, guarantees, and security accordingly provisions of section 185 and 186 of the Companies Act, 2013 are not applicable.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public as per the provisions of section 73, 74, 75 and 76 or any other relevant provisions of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the service rendered by the company.
- vii. (a) According to the information and explanations given to us and based on the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including income tax, sales tax, custom duty, value added tax, goods & service tax, cess and any other statutory dues with the appropriate authorities and no such dues are outstanding for more than six months from the date they become applicable.

Annexure A to Independent Auditor's Report

Annual Report 2021-2022

(b) According to the information and explanations given to us and based on the records of the Company examined by us, the particulars of dues of Income Tax, Service Tax, Sales Tax, Custom Duty and Excise Duty, Value Added Tax, Goods and Service Tax, Cess as at March 31, 2022 which have not been deposited on account of any disputes are as follows:

Name of the Statute	Nature of Dues	Amount in Thousands (Rs)	Period to which the amount relates	Forum where dispute is pending
West Bengal Sales Tax	Sales Tax	81.21	F.Y. 2011-12	Joint Commissioner of Sales Tax
Service Tax	Service Tax	17,922.00	F.Y. 2012-13	Additional Commissioner of Goods & Service Tax

- viii. According to information and explanations given to us, there are no transactions which are not recorded in the books of account and have been disclosed or surrendered before the tax authorities as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, clause 3(viii) of the Order is not applicable to the Company.
- ix. In our opinion, and according to the information and explanations given to us, the Company has not borrowed any money during the year Therefore the provisions of the Clause 3(ix)(a), (b), (c), (d), (e) & (f) of the Order are not applicable to the Company.
- x. (a) According to the information and explanations given to us, the Company has not raised any fund by way of public offer, further public offer (including debt instruments) and term loans. Accordingly, the Clause 3(x)(a) of the order are not applicable to the company.
- (b) The company has not made any Preferential Allotment or Private placement of share or Convertible Debentures during the year. The Clause 3(x) (b) of the order are not applicable to the company.
- xi. (a) According to the information and explanations given to us, no material fraud has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) During the year no whistle-blower complaints has been received by the company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, reporting as per paragraph 3(xii) of the Order is not required.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statement as required by the applicable Indian Accounting Standards.
- xiv. The company has proper Internal Audit system in accordance with it's size and business activities and the reports of the internal auditors for the period under audit have been considered by us.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its directors or persons connected with them. Accordingly, reporting as per paragraph 3(xv) of the Order is not required.
- xvi. a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.
- (b) The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the provisions of Clause 3(xvi)(c) of the Order are not applicable to the Company.
- (d) The Group does not have CIC as part of the Group Accordingly, clause 3(xvi)(d) of the Order is not applicable to the Company
- xvii. According to the information and explanations given to us and based on our examination of the records of the Company the company has incurred cash losses in the financial year and the immediately preceding financial year. The amount of cash losses ₹ 29.53 Lacs for the period and ₹ 199.48 Lacs preceding financial year.

Annexure A to Independent Auditor's Report

Annual Report 2021-2022

- xviii. There has not been any resignation of Statutory Auditor during the financial year. Accordingly, the provisions of Clause 3(xviii) of the Order are not applicable to the Company.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company, as our reporting is based on the facts up to the date of the audit report.
- xx. According to the information and explanations given to us and based on our examination of the records of the Company, the company is not required to transfer any unspent amount to Funds specified in Schedule VII under Corporate Social Responsibility, therefore the provisions of Clause 3(xx) of the Order are not applicable to the Company.
- xxi. The company is not required to prepare consolidated financial statement, therefore the provisions of Clause 3(xxi) of the Order are not applicable to the Company

For S A R A & Associates
Chartered Accountants
Firm Registration No: 120927W

Purvash Mayur Shah
Partner
Membership No: 173448
Place: Mumbai,
Date: May 12, 2022
UDIN No 22173448AIVYIJ6064

Annexure B to Independent Auditor's Report

Annual Report 2021-2022

The Annexure referred to in paragraph 1(A)(f) under "Report on Other Legal and Regulatory Requirements" section of our report of even date,

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

We have audited the internal financial controls over financial reporting of **Galaxy Cloud Kitchens Limited** (Formerly known as 'Galaxy Entertainment Corporation Limited') ("the Company") as of 31st March, 2022 in conjunction with our audit of the financial statement of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by ICAI (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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statement for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statement 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 statement.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Annexure A to Independent Auditor's Report

Annual Report 2021-2022

Opinion

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

For S A R A & Associates
Chartered Accountants
Firm Registration No: 120927W

Purvesh Mayur Shah
Partner
Membership No: 173448
Place: Mumbai

Date: May 12, 2022
UDIN: 22173448AIVYIJ6064

Balance Sheet

Annual Report 2021-2022

as at 31st March, 2021

(₹ in thousands)

Particulars	Note Nos	As at March 31, 2022	As at March 31, 2021
Assets			
Non Current Assets			
Property, Plant and Equipment			
i) Property, Plant and Equipment	3	112,378	127,131
ii) Right to use asset	4	47,860	53,939
Financial Assets			
Other Non Current Financial Assets	5	12,119	9,114
Other Non Current Assets	6	26,718	45,122
Total Non- Current Assets		199,075	235,306
Current Assets			
Inventories	7	22,379	17,518
Financial Assets			
Trade Receivables	8	59,940	65,238
Cash and Cash Equivalents	9	1,326	30,860
Other financial asset	10	9,845	186
Other Current Assets	11	2,421	988
Total Current Assets		95,911	114,790
Total Assets		294,986	350,096
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	12	449,377	449,377
Other Equity	13	(437,468)	(443,422)
Compulsorily Convertible Debentures	14	-	-
Total Equity		11,909	5,955
Liabilities			
Non Current Liabilities			
Financial Liabilities :			
Non Current Provisions	15	7,595	7,112
Lease Liabilities	16	46,200	49,170
Total Non Current Liabilities		53,795	56,281
Current Liabilities			
Financial Liabilities			
Current Borrowings	17	1,532	-
Lease Liabilities	18	3,413	21,589
Other Current Financial Liabilities	19	9,828	8,983
Trade Payable	20	181,320	235,978
Other Current Liabilities	21	32,937	21,217
Current Provisions	22	252	94
Total Current Liabilities		229,282	287,860
Total Equity and Liabilities		294,986	350,096

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

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As per our Report of even date

For S A R A & Associates

Chartered Accountants

Firm Regn No.120927W

Purvash Mayur Shah

Partner

Membership No. 173448

Mumbai

Date : May 12, 2022

For and on behalf of the Board of Directors

Sunil Biyani
Director

DIN : 00006583

Sharad Rustagi
Director

DIN : 07232913

Atul Joshi
Chief Financial Officer

Shruti Shrivastav
Company Secretary

Statement of Profit and Loss

Annual Report 2021-2022

for the year ended 31st March, 2022

(₹ in thousands)

Particulars	Note Nos	Year Ended March 31, 2022	Year Ended March 31, 2021
Revenue from Operations	23	407,408	302,475
Other Income	24	79,603	15,798
Total Income		487,010	318,273
Expenses			
Cost of Materials Consumed	25	187,979	141,891
Employee Benefits Expense	26	97,711	69,502
Finance Costs	27	7,831	10,811
Depreciation and Amortization Expense	28	38,110	40,821
Other Expenses	29	146,419	111,494
Total Expenses		478,050	374,520
Profit / (Loss) before exceptional items and tax		8,961	(56,247)
Exceptional Items		-	-
Profit / (Loss) before tax		8,961	(56,247)
Current Tax		-	-
Deferred Tax		-	-
Total Tax Expenses		-	-
Profit / (Loss) for the year		8,961	(56,247)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of net defined benefit plans		(3,008)	(4,143)
Income tax relating to above		-	-
Other Comprehensive Income / (Loss) for the year, Net of Tax		(3,008)	(4,143)
Total comprehensive Income / (Loss) for the year		5,953	(60,391)
Earnings per equity share			
Basic and Diluted (face value of ₹10 each) (Refer Note 41)		0.19	(1.29)
The accompanying notes are an integral part of the financial statements.	1 - 46		

**As per our Report of even date
For S A R A & Associates
Chartered Accountants
Firm Regn No.120927W**

**Purvash Mayur Shah
Partner
Membership No. 173448
Mumbai
Date : May 12, 2022**

For and on behalf of the Board of Directors

**Sunil Biyani
Director
DIN : 00006583**

**Sharad Rustagi
Director
DIN : 07232913**

**Atul Joshi
Chief Financial Officer**

**Shruti Shrivastav
Company Secretary**

Statement of Cash Flow

for the year ended 31st March, 2022

Annual Report 2021-2022

(₹ in thousands)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
A Cash Flow from operating activities		
Profit before income tax	8,961	(56,247)
Interest received	(560)	(648)
Credit Balance Written Bank	47,016	378
Depreciation and amortization expenses	38,110	40,821
Finance costs	2,330	2,736
Loss on Sales of Fixed Assets	59	5,306
Operating Cash Profit before Working Capital Changes	95,917	(7,654)
Change in operating assets and liabilities		
(Increase)/decrease in trade receivables	5,298	27,388
(Increase)/decrease in loans and advances	(9,659)	31,966
(Increase)/decrease in other current assets	16,971	897
(Increase)/decrease in Other Financial Assets	(3,005)	480
(Increase)/decrease in inventories	(4,861)	12,611
Increase/(decrease) in trade payables	(1,01,674)	(11,371)
Increase/(decrease) in other financial liabilities	845	(1,03,494)
Increase/(decrease) in Lease Liabilities	(21,146)	-
Increase/(decrease) in provisions	(2,366)	(3,238)
Increase/(decrease) in other liabilities	11,720	16,067
Cash outflow from operations	(11,959)	(36,349)
Income taxes paid	-	-
Net cash outflow from operating activities	(11,959)	(36,349)
B Cash inflow from investing activities:		
Sale proceeds of property, plant and equipment	(13,851)	89,798
Purchase of property, plant and equipment	(3,485)	(3,264)
Proceeds from issue of Equity Shares	-	1,02,450
Proceeds / Conversion of Compulsorily Convertible Debentures	-	(1,02,450)
Interest received	560	648
Share Capital Issue Expenses	-	-
Net cash inflow from investing activities	(16,776)	87,183

Statement of Cash Flow

Annual Report 2021-2022

for the year ended 31st March, 2022

(₹ in thousands)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
C Cash outflow from financing activities		
Proceeds from / (Repayment of) Borrowings	-	-
Interest paid	(2,330)	(2,736)
Net cash outflow from financing activities	(2,330)	(2,736)
Net increase/(decrease) in cash and cash equivalents	(31,066)	48,097
Add: Cash and cash equivalents at the beginning of the financial year	30,860	(17,237)
Cash and cash equivalents at the end of the year	(206)	30,860

Cash and Cash Equivalent as per above comprises of the following

(₹ in thousands)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Cash and Cash Equivalents (Note 9)	1,326	30,860
Bank Overdraft	(1,532)	-
Balance as per statement of Cash Inflows	(206)	30,860

As per our Report of even date
For S A R A & Associates
Chartered Accountants
Firm Regn No.120927W

Purvesh Mayur Shah
Partner
Membership No. 173448
Mumbai
Date : May 12, 2022

For and on behalf of the Board of Directors

Sunil Biyani
Director
DIN : 00006583

Sharad Rustagi
Director
DIN : 07232913

Atul Joshi
Chief Financial Officer

Shruti Shrivastav
Company Secretary

forming part of the financial statements for the year ended 31st March, 2022

1) Company Overview

Galaxy Cloud Kitchens Limited ('the Company') is a public Company domiciled in India and incorporated under the provisions of Companies Act, 1956 on August 13, 1981. The Company is engaged in manufacturing of food products (Viz bakery, desserts, confectionery, meals, ready to eat food.) The Company has manufacturing facilities at five location and sells primarily in India.

The Company has its registered office at Mumbai, Maharashtra, India. The Company has its primary listing on BSE Limited.

The financial statements were authorised for issue in accordance with a resolution of the Board of Directors on May 12, 2022.

2) Significant Accounting Policies

(a) Basis of preparation of financial statements.

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. The financial statements are presented in INR, the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency'). All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousand as per the requirement of Schedule III to the Act, unless otherwise stated.

(b) Use of estimates and judgments

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

(c) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the property, plant and equipment will flow to the company and the cost of the property, plant and equipment can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit or Loss during the reporting period in which they are incurred. Assets classified as held for sale are reported at the lower of the carrying value or the fair value less cost to sell.

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. The estimated useful lives of assets are as follows:

Asset Class	Useful Life
Plant & Machinery	15 Years
Furniture & Fixtures	10 Years
Computer	3 Years
Improvement to Licensed Premises	10 Years

The useful lives have been determined as specified by Schedule II to the Companies Act, 2013. The residual values

forming part of the financial statements for the year ended 31st March, 2022

are not more than 5% of the original cost of the asset. The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss, if any.

(d) Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on straight line basis from the date they are available for use.

(e) Impairment of non-financial assets

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the assets is increased to its revised recoverable amount, provided that this amount doesn't exceed the carrying amount that would have been determined, had no impairment loss being recognized for the asset in prior years.

(f) Investments and other financial assets

(I) Classification

The company classifies its financial assets in the following measurement categories:

- (a) Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- (b) Those measured at amortized cost.

The classification depends on the company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(II) Measurement

At initial recognition, the company measures a financial asset at its fair value. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt Instruments:

A subsequent measurement of debt instruments depends on the Company's business model for managing the assets and the cash flow characteristics of the asset. The company classify its debts instruments in to following categories:

Amortised Cost: Assets that are held for collection of contractual cash flows represents solely payments of principal and interest are measured at amortised cost.

Fair value through other comprehensive income: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the asset's cash flow present solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/ (losses).

Fair value through profit and loss: Assets that do not meet the criteria for amortised cost are measured at fair value through Statements of Profit and Loss.

forming part of the financial statements for the year ended 31st March, 2022

Equity Instrument:

The Company measures all equity investment at fair value except investment in subsidiaries, joint ventures and associates which are measured at cost less impairment if any. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss.

(III) Impairment of financial asset: The Company assesses on a forward looking basis the expected credit losses associated with its assets. The Impairment methodology applied depends on whether there has been a significant increase in credit risk.

(IV) De-recognition of financial assets

A financial asset is derecognized only when

- (a) The company has transferred the rights to receive cash flows from the financial asset or
- (b) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

(g) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is computed on a weighted average basis. Cost of finished goods and work-in-progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition. The net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

(h) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

i. Sale of Goods

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods and the amount of revenue can be measured reliably. The Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as sales tax, value added tax, goods and services tax, etc.

ii. Sale of services:

Income from services rendered is recognized based on agreements/ arrangements with the customers as the service is performed in proportion to the stage of completion of the transaction at the reporting date and the amount of revenue can be measured reliably.

iii. Interest income:

Interest income from debt instruments is recognized using the effective interest rate method.

iv. Dividends:

Dividends are recognized in profit or loss only when the right to receive payment is established

(i) Employee benefits**i. Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employee's service up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

forming part of the financial statements for the year ended 31st March, 2022

ii. Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. An actuarial valuation is obtained at the end of the reporting period. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized as an item of Other Comprehensive Income in the statement of profit and loss.

iii. Post-employment obligations

The company operates the following post-employment schemes:

- (a) Defined benefit plans such as gratuity and
- (a) Defined contribution plans such as provident fund.

iv. Gratuity obligations:

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

v. Defined contribution plans:

Defined contribution plans such as provident fund etc are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

i. Termination benefits

Termination benefits are recognized as and when incurred. However, the termination benefits which fall due for more than twelve months after the balance sheet date are discounted using the applicable discount rate.

(j) Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

forming part of the financial statements for the year ended 31st March, 2022

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Minimum Alternate Tax credit is recognized as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

(k) Foreign Currency Translation

Transactions in foreign currencies are recognized at the prevailing exchange rates on the transaction dates. Realized gains and losses on settlement of foreign currency transactions are recognized in the Statement of Profit and Loss. Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognized in the Statement of Profit and Loss.

(l) Lease – Operating

Leases a substantial portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

With effect from April 1, 2019, the Company adopted Ind AS 116 “Leases” and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method on the date of initial application. Consequently, the Company recorded the lease liability and right of use assets at the present value of the lease payments discounted at the incremental borrowing as on date of initial application. Comparatives as at and for the year ended March 31, 2022 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2022.

Leases on which Ind AS 116 does not apply, Payments and receipts under such leases are recognised to the Statement of Profit and Loss on a straight-line basis over the term of the lease unless the lease payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor’s expected inflationary cost increases, in which case the same are recognised as an expense in line with the contractual term.

(m) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(n) Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognized.

forming part of the financial statements for the year ended 31st March, 2022

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

(o) Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

(p) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

(q) Provisions and Contingent Liabilities

Provisions are recognized when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's 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 the passage of time is recognized as interest expense.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events, but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

(r) Earnings per share

i. Basic earnings per share

Basic earnings per share are calculated by dividing:

- (a) the profit attributable to owners of the company
- (a) by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

ii. Diluted earnings per share

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

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

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Note 3 : Property, Plant and Equipment

(₹ in thousands)

Particulars	Improvement to Licensed Premises	Plant & Machinery	Furniture & Fixtures	Computer	Total
As at March 31, 2020					
Gross Carrying Amount	23,443.38	110,526.10	13,928.85	495.38	148,393.71
Transition impact on account of adoption of Ind As 116 'Leases' (Refer note 2 (I) & 35)	-	-	-	-	-
Additions	-	1,048.22	1,045.76	1,170.11	3,264.09
Disposals	-	-	-	-	-
Closing Gross Carrying Amount	23,443.38	111,574.32	14,974.61	1,665.49	151,657.80
Accumulated Depreciation					
Depreciation charge for the year	4,314.72	11,915.00	1,724.45	277.93	18,232.10
Amortization	-	-	-	-	-
Sales of Assets	-	-	-	160.86	160.86
Deductions and Adjustments	-	3,517.38	2,572.10	44.02	6,133.49
Closing Accumulated Depreciation	4,314.72	15,432.38	4,296.54	482.81	24,526.45
Net Carrying Amount as at March 31, 2021	19,128.66	96,141.94	10,678.07	1,182.68	127,131.35
As at March 31, 2021					
Gross Carrying Amount	19,128.66	96,141.94	10,678.07	1,182.68	127,131.35
Transition impact on account of adoption of Ind As 116 'Leases' (Refer note 2 (I) & 35)	-	-	-	-	-
Additions	-	6,666.50	582.41	210.00	7,458.91
Disposals	3,461.09	570.62	-	-	4,031.71
Closing Gross Carrying Amount	15,667.57	102,237.82	11,260.47	1,392.68	130,558.55
Accumulated Depreciation					
Depreciation charge for the year	4,072.46	11,422.58	1,860.53	825.21	18,180.78
Amortization	-	-	-	-	-
Sales of Assets	-	-	-	-	-
Deductions and Adjustments	-	-	-	-	-
Closing Accumulated Depreciation	4,072.46	11,422.58	1,860.53	825.21	18,180.78
Net Carrying Amount as at March 31, 2022	11,595.11	90,815.24	9,399.94	567.47	112,377.76

Note:

- i) All fixed assets of the Company are subject to charges created in favour of Bank for Overdraft availed. Refer Note 36 for information on property, plant and equipment pledged as security by the Company.

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(₹ in thousands)

Particulars	Right to Use assets	Total
Note 4 : Right to use asset		
As at March 31, 2020		
Gross Carrying Amount	165,337.83	165,337.83
Transition impact on account of adoption of Ind As 116 'Leases'"(Refer note 2 (I) & 35)	(88,809.65)	(88,809.65)
Additions	-	-
Disposals	-	-
Closing Gross Carrying Amount	76,528.18	76,528.18
Accumulated Depreciation		
Depreciation charge for the year	-	-
Amortization	22,589.22	22,589.22
Sales of Assets	-	-
Deductions and Adjustments	-	-
Closing Accumulated Depreciation	22,589.22	22,589.22
Net Carrying Amount as at March 31, 2021	53,938.96	53,938.96
As at March 31, 2021		
Gross Carrying Amount	53,938.96	53,938.96
Transition impact on account of adoption of Ind As 116 'Leases'"(Refer note 2 (I) & 35)	-	-
Additions	52,265.20	52,265.20
Disposals	38,414.26	38,414.26
Closing Gross Carrying Amount	67,789.90	67,789.90
Accumulated Depreciation		
Depreciation charge for the year	-	-
Amortization	19,929.45	19,929.45
Sales of Assets	-	-
Deductions and Adjustments	-	-
Closing Accumulated Depreciation	19,929.45	19,929.45
Net Carrying Amount as at March 31, 2022	47,860.45	47,860.45
Note 5 : Other Non Current Financial Assets		
(Unsecured unless otherwise stated)		
Deposit with Bank (Under lien against Bank Guarantee)	10,956	8,456
Interest accrued on Bank Deposit	1,163	657
Total Other Non Current Financial Assets	12,119	9,114
Note 6 : Other Non Current Assets		
Balances with Government Authorities	20,232	27,748
Security Deposits	6,486	17,375
Total Other Non Current Assets	26,718	45,122

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(₹ in thousands)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Note 7 : Inventories		
(Valued at cost or NRV, whichever is lower)		
Food & Beverages Supplies and Consumables	22,379	17,518
Total Inventories	22,379	17,518
Note 8 : Trade Receivables		
(Unsecured and Considered good)		
Outstanding for a period exceeding six months from the date they are due for payment	69,857	69,797
Less: Allowance for bad and doubtful debts	(9,917)	(4,559)
Total Trade receivables	59,940	65,238

Trade receivables ageing schedule

(₹ in thousands)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
As at 31st March, 2022						
i) Undisputed trade receivables - considered good	21,150	971	435	1,557	4,673	28,786
ii) Undisputed trade receivables - considered doubtful	348	-	474	5,176	12,758	18,757
iii) Disputed trade receivables - considered good	-	-	-	-	-	-
iv) Disputed trade receivables - considered doubtful	-	-	5,313	5,894	11,106	22,314
Total	21,498	971	6,223	12,627	28,537	69,857
As at 31st March, 2021						
i) Undisputed trade receivables - considered good	22,675	4,641	25,425	1,635	15,422	69,797
ii) Undisputed trade receivables - considered doubtful	-	-	-	-	-	-
iii) Disputed trade receivables - considered good	-	-	-	-	-	-
iv) Disputed trade receivables - considered doubtful	-	-	-	-	-	-
Total Trade receivables	22,675	4,641	25,425	1,635	15,422	69,797

Refer Note 39 for information about credit risk of trade receivable

Particulars	As at 31st March, 2022	As at 31st March, 2021
Note 9 : Cash and Cash Equivalents		
Cash on hand	66	136
Balances with Banks		
In current accounts	1,260	30,724
Total Cash and Cash Equivalents	1,326	30,860

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(₹ in thousands)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Note 10 : Other financial asset		
(Unsecured, considered good unless otherwise stated)		
Security Deposits	9,845	-
Advance against salary	-	186
Total Current Loan and Advances	9,845	186
Note 11 : Other Current Assets		
Advances to Suppliers	1,297	988
Prepaid Expenses	1,125	-
Total Other Current Assets	2,421	988
Note 12 : Equity Share Capital		
Equity Share capital		
Authorized		
6,50,00,000 [March 31, 2021: 50,000,000] Equity shares of Rs. 10 each	6,50,000	5,00,000
Issued, subscribed and fully paid up		
4,49,37,674 [March 31, 2021: 4,49,37,674] Equity Shares of ₹ 10 each	4,49,377	4,49,377
Total Equity Share Capital Issued, Subscribed and Fully Paid Up	4,49,377	4,49,377
a) Reconciliation of number of shares		
Equity Shares :		
Balance as at the beginning of the year	4,49,37,674	4,15,22,674
Add: Conversion of Compulsory Convertible Debentures in fully paid Equity Shares during the year	-	34,15,000
Add: Shares issued during the year	-	-
Balance as at the end of the year	4,49,37,674	4,49,37,674

b) Rights, preferences and restrictions attached to shares

Equity shares: The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors, if any is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend, if any. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

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Nos of Shares	As at 31st March, 2022	As at 31st March, 2021
c) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company		
Central Departmental Stores Private Limited	93,57,910	81,89,794
Future Enterprises Limited	83,69,819	61,22,935
Habitat Apartments Private Limited	56,00,000	56,00,000.00
Abacus Realty Logistics Private Limited	49,00,000	49,00,000.00
Bellona Hospitality Services Limited	36,86,491	36,86,491
Darshita Landed Property LLP	33,33,924	33,33,924
Holding in %		
Central Departmental Stores Private Limited	20.82%	18.22%
Future Enterprises Limited	18.63%	13.63%
Habitat Apartments Private Limited	12.46%	12.46%
Abacus Realty Logistics Private Limited	10.90%	10.90%
Bellona Hospitality Services Limited	8.20%	8.20%
Darshita Landed Property LLP	7.42%	7.42%

d) Shareholding of Promoters

Promoter name	Shares held at 31st March, 2022		Shares held at 31st March, 2021		Percentage change during the year ended 31st March, 2022
	No of shares	% of total shares	No of shares	% of total shares	
Atul Ashok Ruia	50,000	0.11%	50,000	0.11%	-
Central Departmental Stores Pvt Ltd	9,357,910	20.82%	9,357,910	20.82%	-
Future Enterprises Limited	8,369,819	18.63%	8,369,819	18.63%	-
Bellona Hospitality Services Ltd	3,686,491	8.20%	3,686,491	8.20%	-
Ashbee Investments And Finance Private Limited	350,000	0.78%	350,000	0.78%	-
Senior Advisory Services Pvt.Ltd	97,237	0.22%	97,237	0.22%	-
Ashok Apparels Pvt Ltd	47,500	0.11%	47,500	0.11%	-

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Particulars	(₹ in thousands)	
	As at 31st March, 2022	As at 31st March, 2021
Note 13 : Other Equity		
Share Premium	771,800	771,800
General Reserve	18,063	18,063
Retained Earnings	(1,227,331)	(1,233,285)
	(437,468)	(443,422)
Share Premium		
Opening Balance	771,800	771,800
Add : Increase during the year	-	-
Less : Share Issue Expenses	-	-
Closing Balance	771,800	771,800
General Reserve		
Opening Balance	18,063	18,063
Change during the Year	-	-
Closing Balance	18,063	18,063
Retained Earnings		
Opening Balance	(1,233,285)	(1,172,895)
Net Profit / (Loss) during the year	8,962	(56,247)
Items of other comprehensive income recognized directly in retained earnings		
Remeasurements of post-employment benefit obligation, net of tax	(3,008)	(4,143)
Closing Balance	(1,227,331)	(1,233,285)

Note 14 : Compulsorily Convertible Debentures

Particulars	(₹ in thousands)	
	As at 31st March, 2022	As at 31st March, 2021
Compulsorily Convertible Debentures	-	-
Compulsorily Convertible Debentures :		
Balance as at the beginning of the year	-	102,450
Less: Conversion of Compulsory Convertible Debentures in fully paid Equity Shares during the year	-	102,450
Add: Issued during the year	-	-
Balance as at the end of the year	-	-

- (i) 34,15,000 Equity shares of Rs. 10/- each fully paid up at a premium of Rs. 20/- each has been allotted pursuant to conversion of outstanding 34,15,000 CCDs out of 38,00,000 CCDs by Board of Directors at their meeting held on August 11, 2020.

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Particulars	(₹ in thousands)	
	As at 31st March, 2022	As at 31st March, 2021
Note 15 : Non Current Provisions		
Gratuity	5,186	4,102
Leave entitlement	2,409	3,010
Total Non Current Provisions	7,595	7,112
Note 16 :Lease Liability		
Lease Liability	46,200	49,170
	-	-
Total Lease Liability	46,200	49,170
Note 17 : Current Borrowings		
Secured		
Bank Overdraft	1,532	-
Total Current Borrowings	1,532	-
Secured borrowings and assets pledged as security		
Interest Rate :		
The rate of interest on bank overdraft ranges between 10.60% to 11.20% during the year (Previous Year - 11.25% p.a.)		
Overdraft Facility from Bank secured against hypothecation charges on entire present and future movable fixed assets of the company, Corporate guarantee by Future Enterprises Ltd. And personal guarantee of one of the Promoters.		
The carrying amounts of financial and non-financial assets pledged as security for current and non-current borrowings are disclosed in Note 36.		
Refer Note 39 for information about liquidity risk of borrowings		
Particulars	(₹ in thousands)	
	As at 31st March, 2022	As at 31st March, 2021
Note 18 :Lease Liability		
Lease Liability	3,413	21,589
	-	-
Total Lease Liability	3,413	21,589
Note 19 : Other Current Financial Liabilities		
Other Payables	9,828	8,983
Total Other Current Financial Liabilities	9,828	8,983
Note 20 : Trade Payables		
Trade payables	149,872	199,887
Trade Payable - Micro, Small & Medium Enterprises	31,448	36,091
Total Trade Payables	181,320	235,978

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Trade Payables ageing schedule (₹ in thousands)					
Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31st March, 2022					
MSME	9,590	9,840	10,855	84	30,368
Others	64,681	25,221	55,648	5,403	150,952
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	74,270	35,061	66,502	5,486	181,320
As at 31st March, 2021					
MSME	17,321	14,275	-	84	31,679
Others	74,670	108,177	18,622	2,829	204,298
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total Trade Payables	91,991	122,451	18,622	2,912	235,978

Particulars	(₹ in thousands)	
	As at 31st March, 2022	As at 31st March, 2021
Note 21 : Other Current Liabilities		
Statutory dues	4,719	6,120
Advance from customers	28,219	15,097
Total Other Current Liabilities	32,937	21,217
Note 22 : Current Provisions		
Gratuity	134	18
Leave entitlement	118	75
Total Current Provisions	252	94

Information about provisions and significant estimates :

Leave entitlement

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Gratuity

Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972 or company scheme whichever is beneficial. The same is payable at the time of separation from the company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

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(₹ in thousands)

Particulars	Gratuity	
	As at 31st March, 2022	As at 31st March, 2021
Opening defined benefit obligation	4,120.04	3,432.55
Current service cost	1,625.73	2,007.47
Interest expense/(income)	284.48	232.24
Total amount recognised in profit and loss	1,910.20	2,239.71
Remeasurements	-	-
(Gain)/loss from change in demographic assumptions	-	-
(Gain)/loss from change in financial assumptions	(246.69)	(74.62)
Experience (gains)/losses	1,079.78	384.82
Total amount recognised in other comprehensive income	833.09	310.20
Employer contributions	(1,543.44)	(1,862.42)
Benefit payments	-	-
Closing defined benefit obligation	5,319.89	4,120.04
The net liability disclosed above relates to unfunded plans are as follows:		
Defined benefit obligation	5,319.89	4,120.04
Fair value of plan assets	-	-
Surplus /(Deficit)	5,319.89	4,120.04
Effect of assets ceiling	-	-
Net Defined Benefit Liability/(Assets)	5,319.89	4,120.04
Significant estimates: Actuarial assumptions		
The significant actuarial assumptions were as follows:		
Discount rate	7.31%	6.92%
Salary growth rate	5.00%	5.00%

(₹ in thousands)

Particulars	As at	As at
	31st March, 2022	31st March, 2021
Note 23 : Revenue from Operations		
Sale of Services		
Food & Beverages	361,618	233,119
Other Operating Income	45,790	69,356
Total Revenue from Operations	407,408	302,475

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(₹ in thousands)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Note 24 : Other income		
Compensation	8,000	-
Interest on Fixed Deposit	560	648
Credit Balance Written Back	47,016	378
Lease Income	1,836	1,836
Interest on SD Rent	1,231	1,205
Other Income	330	326
Interest on Income Tax Refund	137	155
Ind AS 116 Revision Adjustment	20,106	11,250
Profit on Sale of Fixed Assets	387	-
Total Other income	79,603	15,798
Note 25 : Cost of materials consumed		
Raw materials consumed	187,979	141,891
Total Cost of materials consumed	187,979	141,891
Note 26 : Employee benefits expense		
Salaries and wages	88,103	65,036
Contribution to provident funds and other funds	7,841	3,732
Workmen and Staff welfare expenses	1,767	733
Total Employee benefits expense	97,711	69,502
Note 27 : Finance costs		
Interest on Overdraft	725	1,937
Other Borrowing Cost	1,605	799
Interest on Ind AS 116	5,500	8,075
Total Finance costs	7,831	10,811
Note 28 : Depreciation and amortization expense		
Depreciation on Property, Plant and Equipment	18,181	18,232
Amortization	19,929	22,589
Total Depreciation and amortization expense	38,110	40,821

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(₹ in thousands)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Note 29 : Other expenses		
Power, Fuel, Light and Water	22,753	17,448
Communication Expenses	335	274
Rent - Building	12,576	7,699
Hire Charges	29,438	21,726
Repairs to Plant and Equipment	8,531	5,220
Insurance	2,501	1,412
Rates & taxes *(a)	24,489	14,578
Advertising and sales promotion	1,185	786
Carriage and freight	12,273	9,748
Printing & Stationery	973	611
Audit Committee Fees	425	520
Director Sitting Fees	550	755
Nomination, Remuneration & Compensation Directors Fees	100	-
Professional & Consultancy Charges	8,856	5,154
Legal Fees	95	60
Postage & Courier Charges	156	22
Security Charges	3,957	4,410
Miscellaneous Expenses	8,031	7,275
Travelling and Local Conveyance Expenses	3,230	4,483
Loss on Sale of Fixed Assets	59	5,306
Payment to Statutory Auditors *(b)	550	660
Provison for Doubtfull Debts (IND AS)	5,357	3,347
Total Other expenses	146,419	111,494
*(a) Rates & Taxes		
Rate & Taxes	14,872	4,964
Reversal of Input Tax Credit	9,617	9,615
Total Rates & taxes	24,489	14,578
*(b) Payment to Statutory Auditors		
For Audit Fees	200	200
For Tax Audit Fees	150	150
For Limited Review Fees	75	75
For Other Services	125	235
For Reimbursement of Expenses	-	-
Total Payment to Statutory Auditors	550	660

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Note 30 : Capital and Other Commitments :

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ “Nil” (Previous Year ₹ “Nil”)

Note 31 : Contingent Liabilities not provided for :

- i. In respect of guarantees provided by Company’s Bankers on behalf of the Company NIL thousands (Previous Year ₹ 2,036.92 thousands)

The Company had overdraft facility with Axis Bank Ltd., which is fully repaid & company has applied for closure of the said account, the same is pending to be closed by Bank

- ii. In respect of disputed tax demand not provided as following:

Particulars	(₹ in thousands)	
	As at 31st March, 2022	As at 31st March, 2021
Sales Tax Demand:		
2011-2012 (West Bengal)	81.21	81.21
Service Tax:		
A.Y. 2012-13 (Excluding Interest)	17,922.00	17,922.00

Note 32 : Going Concern Assumption

The financial statements have been prepared on the basis that the Company is a going concern.

Note 33 : Deferred Tax Asset/ (Liability):

On a conservative basis, the Company has not recognized any deferred tax asset on unabsorbed business losses/unabsorbed depreciation during the current year.

Note 34 : Related Party Disclosure

In accordance with the Ind AS - 24 on “Related Party Disclosure” the relevant information for the year ended March 31, 2022 is as under

- i. List of related parties where control exists and related parties with whom transactions have taken place and relationships

Sr. No.	Name of the Related Party	Nature of Relationship
1	Future Retail Limited	Other Body Corporate
2	Future Consumer Limited	Other Body Corporate
3	Future Lifestyle Fashion Limited	Other Body Corporate
4	Future Generali India Life Insurance Company Limited	Other Body Corporate
5	Future Sharp Skills Limited	Other Body Corporate
6	Nufuture Digital (India) Limited	Other Body Corporate
7	Nilgiris Mechanised Bakery Private Limited	Other Body Corporate
8	The Nilgirs Dairy Farm Private Limited	Other Body Corporate
9	Appu Nutritions Private Limited	Other Body Corporate
10	Affluence Food Processors Private Limited	Other Body Corporate
11	Future Coupons Limited	Other Body Corporate
12	Future Market Networks Limited	Enterprises in which a director is a member / Director
13	Splendor Fitness Private Limited	Enterprises in which a director is a member / Director
14	Future Enterprise Limited	Other Significant influence
15	Mr Arvind Agrawal	Key Managerial Personnel
16	Mr Atul Joshi	Key Managerial Personnel
17	Ms Suchita Rajput (upto October 4, 2022)	Key Managerial Personnel
18	Ms Shruti Shrivastav (w.e.f. October 30, 2022)	Key Managerial Personnel

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Statement of transactions for the year ended March 31, 2022

(₹ in thousands)

Sr. No.	Particulars	Other Body Corporate	Key management personnel (KMP)	Relative of Key management personnel (KMP)	Enterprise in which Key Management Personnel and KMP relative have significant influence	Total
1	Business Support Service Future Retail Limited	72,200	-	-	-	72,200
2	Sales of Goods Future Retail Limited The Nilgirs Dairy Farm Pvt Ltd Future Consumer Limited Future Lifestyle Fashion Limited	92,297 70,611 2,993 7	- - - -	- - - -	- - - -	92,297 70,611 2,993 7
3	Lease Income Future Retail Limited Future Consumer Limited	360 1,476	- -	- -	- -	360 1,476
4	Purchase of Goods Future Retail Limited The Nilgirs Dairy Farm Pvt Ltd	1,430 357	- -	- -	- -	1,430 357
5	Royalty Charges Nilgiris Mechanised Bakery Pvt Ltd	2,503	-	-	-	2,503
6	Sale of Assets Future Market Networks Limited-Drs	-	-	-	12,000	12,000
7	Insurance Premium Future Generali India Life Insurance Co Ltd	1,443	-	-	-	1,443
8	Rent Nilgiris Mechanised Bakery Pvt Ltd Appu Nutritions Pvt Ltd Future Lifestyle Fashion Limited	4,860 1,620 974	- - -	- - -	- - -	4,860 1,620 974
9	Electricity Charges (Income) Future Consumer Limited	58	-	-	-	58
10	Rent Others (Expenses) Future Retail Limited	9,958	-	-	-	9,958

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Statement of transactions for the year ended March 31, 2021

(₹ in thousands)

Sr. No.	Particulars	Other Body Corporate	Key management personnel (KMP)	Relative of Key management personnel (KMP)	Enterprise in which Key Management Personnel and KMP relative have significant influence	Total
1	Business Support Service Future Retail Limited	9,000	-	-	-	9,000
2	Sales of Goods Future Retail Limited The Nilgirs Dairy Farm Pvt Ltd Future Consumer Limited Future 7 India Convenience Ltd	55,830 65,264 3,762 52,626	- - - -	- - - -	- - - -	55,830 65,264 3,762 52,626
3	Lease Income Future Retail Limited Future Consumer Limited	360 1,476	- -	- -	- -	360 1,476
4	Purchase of Goods Future Retail Limited Future Consumer Limited Future Coupons Limited The Nilgirs Dairy Farm Pvt Ltd	6 7,609 8 967	- - - -	- - - -	- - - -	6 7,609 8 967
5	Royalty Charges Nilgiris Mechanised Bakery Pvt Ltd		-	-	-	-
6	Sale of Assets Future Market Networks Limited-Drs	-	-	-	12,000	12,000
7	Insurance Premium- Expenses Future Generali India Life Insurance Co Ltd	1,340	-	-	-	1,340
8	Rent- Expenses Future Retail Limited Nilgiris Mechanised Bakery Pvt Ltd Appu Nutritions Pvt Ltd Future Lifestyle Fashion Limited	10,500 3,500	- - - -	- - - -	- - - -	10,500 3,500
9	Electricity Charges (Income) Future Retail Limited Future Consumer Limited	28 28	- -	- -	- -	28 28
10	Rent (others)- Expenses Future Retail Limited Future Consumer Limited	4,028	-	-	-	4,028

forming part of the financial statements for the year ended 31st March, 2022

d) Outstanding balances

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

(₹ in thousands)

Particulars	Year Ending Mar 31, 2022	Year Ending Mar 31, 2021
i) Sundry Debtors		
Future Retail Limited	41.38	69.67
Future Idea Company Limited	0.07	-
Future Enterprises Limited	32.99	32.99
ii) Sundry Creditors		
Future Retail Limited	246.15	-
Future Generali India Life Insurance Co. Limited	(186.73)	(205.89)
Future Lifestyle Fashions Limited	9.74	1.68
Nilgiris Mechanised Bakery P Ltd	168.98	141.01
Appu Nutritions Pvt Ltd	24.03	40.83
The Nilgiri Dairy Farm P Limited	31.75	28.18

Note : Related Party relationship is as identified by the Company and relied upon by the Auditors

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forming part of the financial statements for the year ended 31st March, 2022

Note 35 : Leases

The Company has discounted lease payments as at 1 April, 2021 for measuring lease liabilities at ₹ 496.13 lakhs and accordingly recognised right-to-use assets at ₹ 478.60 lakhs as at the aforesaid date. In the Statement of Profit and Loss for the current period, expenses in the nature of operating leases are recognised as amortisation of right-to-use assets and finance costs.

(₹ in thousands)

Particulars	As at 31st March, 2022	As at 31st March, 2021
The Balance Sheet discloses the following amount		
Right of Use Assets	47,860.45	539.39
Total	47,860.45	539.39
Lease Liabilities		
Non- Current	7,595.32	46,083.22
Add: Current	1,532.07	24,675.65
Total	9,127.39	70,758.87
Amount Recognised in Profit and Loss Account		
Depreciation Charged on Right to Use Assets	19,929.45	225.89
Interest Expense included in Finance Cost	5,500.26	80.75
Expense relating to Short Term Loans	-	-
Expense relating to variable lease payments not included in lease liability	-	-
Total cash outflow for leases during current financial year (excluding short term leases)	25,429.71	306.64
Additions to the right of use assets during the current financial year	-	-

The Company has taken commissaries on Finance Lease. The Future lease rent payable on such assets taken on finance lease are as follows:

(₹ in thousands)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Maturity analysis of lease liabilities		
Not later than 1 year	8,196.00	32,500.00
Later than 1 year but not later than 5 Years	41,459.46	48,000.00
Beyond 5 years	26,181.27	8,000.00

The Company has applied the practical expedient available as per amendment to Ind AS 116, "Leases" for rent concessions which are granted due to Covid-19 pandemic. Accordingly, 201.06 Lakhs has been recognised under 'Other Income' for the year ended 31st March, 2022

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(₹ in thousands)

Particular	Year Ended March 31, 2022	Year Ended March 31, 2021
Note 36 : Assets Pledged as Security		
The carrying amounts of assets pledged as security for current borrowings are :		
Current Assets		
Inventories	22,378.81	17,517.97
Financial Assets		
Trade Receivables	59,940.06	65,237.88
Cash and Cash Equivalents	1,326.36	30,860.06
Loans and Advances	9,844.77	186.05
Other Current Assets	2,421.42	987.81
Total Current Assets	95,911.42	114,789.77
Non Current Assets classified as held for sale	-	-
Total Current Assets	95,911.42	114,789.77
Non Current Assets		
Property, Plant and Equipment	0.00	181,070.31
Other Non Current Financial Assets	12,118.86	9,113.61
Total Non Current Assets	12,118.86	190,183.92
Total Assets pledged as security	108,030.28	304,973.69

Note 37 : Offsetting Financial Assets and Financial Liabilities

There are no offset for the recognised financial instruments as at March 31, 2022 and March 31, 2021

Note 38 : Fair Value Measurements

38 (a) : Financial Instruments by Category

(₹ in thousands)

Particulars	Year Ended March 31, 2022 Amortised cost	Year Ended March 31, 2021 Amortised cost
Financial Assets		
Loans and Advances	9,844.77	186.05
Trade receivables	59,940.06	65,237.88
Cash and Cash Equivalents	1,326.36	30,860.06
Other Financial Assets	12,118.86	9,113.61
Total Financial Assets	83,230.05	105,397.60
Financial Liabilities		
Borrowings	3,412.87	21,589.33
Trade Payable	181,320.31	235,977.64
Other Financial Liabilities	9,827.98	8,982.80
Total Financial Liabilities	194,561.16	266,549.77

Notes

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No Financial instruments are measured at Fair Value.

38 (b) : Assets and liabilities which are measured at amortised cost for which fair values are disclosed are calculated under Level 3 except other financial assets and borrowings other than bank borrowings which are at level 2. During the year there are no financial instruments which are measured at Level 1.

(₹ in thousands)

Particular	Year Ended March 31, 2022	Year Ended March 31, 2021
Financial Assets		
Loans and Advances	9,844.77	186.05
Trade receivables	59,940.06	65,237.88
Cash and Cash Equivalents	1,326.36	30,860.06
Other Financial Assets	12,118.86	9,113.61
Total Financial Assets	83,230.05	105,397.60
Financial Liabilities		
Borrowings	3,412.87	21,589.33
Trade Payable	181,320.31	235,977.64
Other Financial Liabilities	9,827.98	8,982.80
Total Financial Liabilities	194,561.16	266,549.77

The fair value of financial instruments referred above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements). The categories used are as follows :

Level 1: This hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Valuation processes :

For level 2 financial instruments the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

38 (c) : Fair value of financial assets and liabilities measured at amortised cost

(₹ in thousands)

Particular	Year Ended March 31, 2022		Year Ended March 31, 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Loans and Advances	9,844.77	9,844.77	186.05	186.05
Trade receivables	59,940.06	59,940.06	65,237.88	65,237.88
Cash and Cash Equivalents	1,326.36	1,326.36	30,860.06	30,860.06
Other Financial Assets	12,118.86	12,118.86	9,113.61	8,688.61
Total Financial Assets	83,230.05	83,230.05	105,397.60	104,972.60

forming part of the financial statements for the year ended 31st March, 2022

(₹ in thousands)

Particular	Year Ended March 31, 2022		Year Ended March 31, 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Liabilities				
Borrowings	3,412.87	3,412.87	21,589.33	21,589.33
Trade Payable	181,320.31	181,320.31	235,977.64	235,977.64
Other Financial Liabilities	9,827.98	9,827.98	8,982.80	8,982.80
Total Financial Liabilities	194,561.16	194,561.16	266,549.77	266,549.77

The carrying amounts of trade receivables, trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values largely due to short term maturities of the instruments.

The fair values of other financial assets and borrowings other than bank borrowings were calculated based on cash flows discounted using a current lending rate. They are classified as level 2 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

The fair value of the long-term borrowing from bank with floating-rate of interest is not impacted due to interest rate changes and will not be significantly different from their carrying amounts as there is no significant change in the under-lying credit risk of the company's borrowing (since the date of inception of the loans). Further, the company has no long-term Borrowings with fixed rate of interest.

Note 39 : Financial risk management

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk are reviewed regularly to reflect changes in market conditions and the Company's activities.

A. Market Risks

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk.

The company is not significantly exposed to foreign currency risk. Moreover, the company has no investments in equity shares thus the company is not exposed to price risk also.

(a) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, management of the Company performs a corporate interest rate risk.

According to the Company interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 100 basis point increase or 20 basis point decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

forming part of the financial statements for the year ended 31st March, 2022

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

(₹ in thousands)		
Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Variable rate borrowings	3,412.87	21,589.33
Percentage of variable rate borrowings to total borrowings	100%	100%
Total Borrowings	3,412.87	21,589.33

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Interest rates – increase by 100 basis points*	34.13	215.89
Interest rates – decrease by 20 basis points*	6.83	43.18

*Holding all other variables constant

B. Credit Risks

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities primarily trade receivables and from its loans and advances and other financial instruments.

Trade receivables

Customer credit risk is managed by each business unit subject to the company's established policy, procedures and control relating to customer credit risk management.

The Company measures the expected credit loss of trade receivables and loan & advances customers wise based on historical trend. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable being material accordingly additional provision is considered.

Movement in provisions of doubtful debts

(₹ in thousands)		
Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Opening provision	4,559.44	1,212.39
Add:- Additional provision made	5,357.08	3,347.05
Less:- Provision write off	-	-
Less:- Provision reversed	-	-
Closing provisions	9,916.52	4,559.44

Movement in provisions of doubtful Loans & Advance

Opening provision	1,711.92	1,711.92
Add:- Additional provision made	-	-
Less:- Provision write off	-	-
Less:- Provision reversed	-	-
Closing provisions	1,711.92	1,711.92

Financial Assets are considered to be of good quality and there is no significant increase in credit risk

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C. Liquidity Risk:

Liquidity risk is the risk that the company will face in meeting its obligations associated with its financial liabilities. The company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. A material and sustained shortfall in our cash flow could undermine the company's credit rating and impair investor confidence.

The following table shows the maturity analysis of the company's financial liabilities based on contractually agreed undiscounted cash flows as at the balance sheet date:

Maturity patterns of liabilities:

(₹ in thousands)			
Particulars	Less than 12 months	More than 12 months	Total
As at March 31, 2022			
Trade payables	181,320.31	-	181,320.31
Borrowings	3,412.87	-	3,412.87
Other Non Financial liabilities	32,937.38	-	32,937.38
Lease Liabilities	1,532.07	7,595.32	9,127.39
As at March 31, 2021			
Trade payables	235,977.64	-	235,977.64
Borrowings	21,589.33	-	21,589.33
Other Non Financial liabilities	21,216.93	-	21,216.93
Lease Liabilities	0.00	7,111.71	7,111.71

D. Capital Management

The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimize returns to our shareholders.

The capital structure of the Company is based on management's judgment of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company does not distribute dividends to the shareholders.

Note 40 : Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the chief finance officer of the Company. Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in Ind AS - 108.

The Company operates in a single segment viz. Food & Beverages. Segments have been identified and reported taking into account nature of products and services, the differing risks and returns and the internal business reporting systems.

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Note 41 : Earnings per share

Particulars	(₹ in thousands)	
	Year Ended March 31, 2022	Year Ended March 31, 2021
(a) Basic and diluted earnings per share		
Profit attributable to the equity holders of the company	8,960.57	(56,247.41)
Total basic earnings per share attributable to the equity holders of the company	8,960.57	(56,247.41)
(b) Weighted average number of shares used as the denominator		
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share	48,352,674	43,693,304
Earning Per Share - Basic and diluted (Face value of ` 10 Per Share)	0.19	(1.29)

Note 42 : Financial Ratios

		(₹ in thousands)		
Ratio / Measure	Methodology	Year Ended March 31, 2022	Year Ended March 31, 2021	Variance %
a) Current ratio	Current assets over current liabilities	0.42	0.40	5%
b) Debt equity ratio	Debt over total shareholders equity	0.29	3.63	-
c) Debt service coverage ratio	EBIT over current debt	4.92	-	-
d) Return on equity %	PAT over total average equity	1.00	(1.44)	170%
e) Trade receivables turnover ratio	Revenue from operations over average trade receivables	1.63	3.83	-58%
f) Trade payables turnover ratio	Adjusted expenses over average trade payables	0.90	0.59	53%
g) Net capital turnover ratio	Revenue from operations over average working capital	(2.66)	2.18	-222%
h) Net profit %	Net profit over revenue	2.20	(18.60)	112%
i) EBITDA %	EBIDTA over revenue	13.48	(1.53)	983%
j) EBIT %	EBIT over revenue	4.12	(15.02)	127%
k) Return on capital employed ratio	PBIT over average capital employed	0.26	(0.73)	135%
l) Return on investment	Interest income, net gain on sale of investments and net fair value gain over weighted average investments	-	-	-

*Refer: Explanation for variance exceeding 25%

forming part of the financial statements for the year ended 31st March, 2022

Notes:

EBIT - Earnings before interest and tax

PBIT - Profit before interest and taxes including other income

EBITDA - Earnings before interest, taxes, depreciation and amortization

PAT - Profit after taxes

Debt includes current and non-current lease liabilities

Adjusted expenses refers to purchases of raw materials and other purchases

Capital employed refers to total shareholder's equity and debt

Investments includes non-current investment, current investment and margin money deposit.

Explanation for variance exceeding 25%

- d) Reflects better operational performance during the year from previous year.
- e) Due to decrease in average trade receivable during the year form previous year.
- f) Due to decrease in average trade payable during the year form previous year.
- g) Due to decrease in average working capital during the year form previous year.
- h) Reflects better operational performance during the year from previous year.
- i) Reflects better operational performance during the year from previous year.
- j) Reflects better operational performance during the year from previous year.
- k) Reflects better operational performance during the year from previous year.

Note 43 : Balances of Trade Receivable and Payables are subject to confirmations and reconciliation.

Note 44 : In the opinion of the Board, all assets other than fixed assets and non-current investments have value on realization in the ordinary course of business at least equal to the amount at which they are stated.

forming part of the financial statements for the year ended 31st March, 2022

Note 45: Other Statutory Information

i) DISCLOSURE OF TRANSACTIONS WITH STRUCK OFF COMPANIES

The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

ii) No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:

- (a) Crypto Currency or Virtual Currency
- (b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
- (c) Registration of charges or satisfaction with Registrar of Companies
- (d) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - 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
- (e) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) 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,
- (f) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

Note 46 : The figures for the previous financial year are re-classified / re-arranged / re-grouped, wherever necessary, to correspond with the current period's classification / disclosure



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